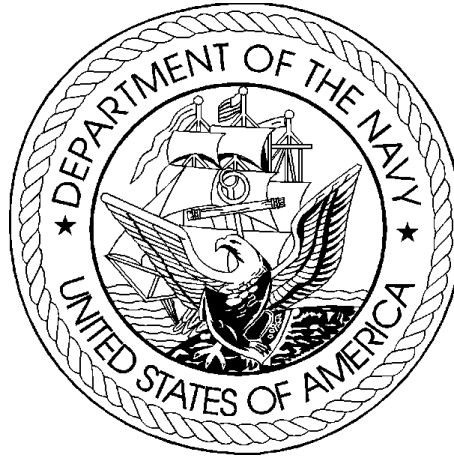


DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2003
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
FEBRUARY 2002

AIRCRAFT PROCUREMENT, NAVY
Volume I:
BUDGET ACTIVITIES 1-4

UNCLASSIFIED

Department of the Navy

FY 2003 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 2002

		TOA, \$ IN MILLIONS								
LINE	ITEM NOMENCLATURE	IDENT	(DOLLARS) FY 2003 UNIT COST	-----FY 2001-----		-----FY 2002-----		-----FY 2003-----		S
NO		CODE		QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	C
BUDGET ACTIVITY 01: Combat Aircraft										

Combat Aircraft										
1	0124 AV-8B (V/STOL)Harrier (MYP)	A		12	314.8		-		6.0	U
	Less: Advance Procurement (PY)				-55.1		-		-	
					-----		-----		-----	
					259.8		-		6.0	
2	0145 F/A-18E/F (Fighter) Hornet (MYP)	B	72,369,977	39	2,842.1	48	3,141.7	44	3,184.3	U
	Less: Advance Procurement (PY)				-104.2		-112.4		-111.0	
					-----		-----		-----	
					2,737.8		3,029.4		3,073.2	
3	0145 F/A-18E/F (Fighter) Hornet (MYP)	B								U
	(FY 2001 for 2002) (MEMO)				93.5		-		-	
	(FY 2001 for 2003) (MEMO)				3.3		-		-	
	(FY 2001 for 2004) (MEMO)				3.3		-		-	
	(FY 2002 for 2003) (MEMO)				-		88.9		-	
	(FY 2003 for 2004) (MEMO)				-		-		86.3	
4	0164 V-22 (Medium Lift)	B	98,371,636	9	961.7	9	843.7	11	1,082.1	U
	Less: Advance Procurement (PY)				-69.9		-71.2		-36.4	
					-----		-----		-----	
					891.8		772.5		1,045.7	
5	0164 V-22 (Medium Lift)	B								U
	(FY 2001 for 2002) (MEMO)				71.2		-		-	
	(FY 2002 for 2003) (MEMO)				-		36.4		-	
	(FY 2003 for 2004) (MEMO)				-		-		60.3	
6	0165 AH-1W (Helicopter) Sea Cobra	A			2.4		1.4		-	U
7	0178 UH-1Y/AH-1Z				6.0		-		-	U
8	0179 MH-60S (MYP)		23,224,467		-	13	189.8	15	348.4	U
	Less: Advance Procurement (PY)				-		-		-64.2	
					-----		-----		-----	
					-		189.8		284.2	
9	0179 MH-60S (MYP)									U
	(FY 2002 for 2003) (MEMO)				-		64.2		-	

* ITEMS UNDER \$50,000

UNCLASSIFIED

PAGE N- 2

UNCLASSIFIED

Department of the Navy

FY 2003 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 2002

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS) FY 2003 UNIT COST	TOA, \$ IN MILLIONS						S E C
				-----FY 2001-----		-----FY 2002-----		-----FY 2003-----		
				QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
	(FY 2003 for 2004) (MEMO)				-		-		88.0	
10	0182 MH-60R				53.7		9.9		86.9	U
11	0182 MH-60R (FY 2003 for 2004) (MEMO)				-		-		29.3	U
12	0195 E-2C (Early Warning) Hawkeye (MYP) Less: Advance Procurement (PY)	A	87,048,400	5	358.3 -111.5	5	378.9 -139.9	5	435.2 -167.4	U
					246.8		239.0		267.9	
13	0195 E-2C (Early Warning) Hawkeye (MYP) (FY 2001 for 2002) (MEMO)	A			37.4		-		-	U
	(FY 2001 for 2003) (MEMO)				28.2		-		-	
	(FY 2002 for 2003) (MEMO)				-		36.2		-	
	(FY 2003 for 2004) (MEMO)				-		-		27.6	
					-----		-----		-----	
TOTAL	Combat Aircraft				4,435.0		4,467.8		5,055.2	

* ITEMS UNDER \$50,000

UNCLASSIFIED

PAGE N- 3

UNCLASSIFIED

Department of the Navy

FY 2003 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 2002

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS) FY 2003 UNIT COST	TOA, \$ IN MILLIONS						S E C
				-----FY 2001----		-----FY 2002----		-----FY 2003----		
				QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 02: Airlift Aircraft										

Airlift Aircraft										
14	0240 MH-60S (MYP)			15	289.3		70.7			- U
	Less: Advance Procurement (PY)				-76.1		-70.7			-
					-----		-----		-----	
					213.1		-			-
15	0240 MH-60S (MYP)				70.7		-			- U
	(FY 2001 for 2002) (MEMO)									-
16	0244 UC-35	B		1	7.5	1	7.4			- U
17	0246 C-40A	A		1	54.5		-			- U
18	0248 C-37	A		1	49.7		-			- U
					-----		-----		-----	
TOTAL	Airlift Aircraft				395.5		7.4			-

* ITEMS UNDER \$50,000

UNCLASSIFIED

PAGE N- 4

UNCLASSIFIED

Department of the Navy

FY 2003 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 2002

		TOA, \$ IN MILLIONS								
LINE		IDENT	(DOLLARS)	-----FY 2001----		-----FY 2002----		-----FY 2003----		S
NO	ITEM NOMENCLATURE	CODE	FY 2003 UNIT COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	E
----	-----	----	-----	-----	-----	-----	-----	-----	-----	C
BUDGET ACTIVITY 03: Trainer Aircraft										

Trainer Aircraft										
19	0338 T-45TS (Trainer) Goshawk	A	27,672,625	14	306.6	6	188.5	8	221.4	U
	Less: Advance Procurement (PY)				-9.5		-5.1		-	
					-----		-----		-----	
					297.2		183.4		221.4	
20	0338 T-45TS (Trainer) Goshawk	A			5.1		-		-	U
	(FY 2001 for 2002) (MEMO)									
21	0339 JPATS	B		24	80.6	6	30.4		-	U
					-----		-----		-----	
TOTAL	Trainer Aircraft				382.9		213.8		221.4	

UNCLASSIFIED

Department of the Navy

FY 2003 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 2002

		TOA, \$ IN MILLIONS								
LINE		IDENT	(DOLLARS)	-----FY 2001----		-----FY 2002----		-----FY 2003----		S
NO	ITEM NOMENCLATURE	CODE	FY 2003 UNIT COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	E
----	-----	----	-----	-----	-----	-----	-----	-----	-----	-----
BUDGET ACTIVITY 04: Other Aircraft										

Other Aircraft										
22	0416 KC-130J	B		3	227.3	2	154.8			- U
					-----		-----		-----	
TOTAL Other Aircraft					227.3		154.8			-

* ITEMS UNDER \$50,000

UNCLASSIFIED

PAGE N- 6

**Fiscal Year 2003 Budget Estimates
Budget Appendix Extract Language**

AIRCRAFT PROCUREMENT, NAVY (APN)

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefore; specialized equipment; expansion of public and private plants, including the land necessary therefore, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, [\$7,938,143,000] \$8,203,955,000, to remain available for obligation until September 30, [2004] 2005, of which \$19,644,000 shall be available for the Navy Reserve and Marine Corps Reserve. (10 U.S.C. 5013, 5063, 7201, 7341; Department of Defense Appropriations Act, 2002.)

CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: FEBRUARY 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy Budget Activity 1							P-1 ITEM NOMENCLATURE AV-8B Remanufacture (MYP)				
Program Element for Code B Items:							Other Related Program Elements				
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	62		12								74
Net P-1 Cost (\$M)	1,608.554	A	259.790		5.953	12.856	4.928	1.967			1,894.049
Advance Proc (\$M)	189.016	A									189.016
Wpn Sys Cost (\$M)	1,797.570	A	259.790		5.953	12.856	4.928	1.967			2,083.064
Initial Spares (\$M)	83.179	A	0.240								83.419
Proc Cost (\$M)	1,880.749		260.030		5.953	12.856	4.928	1.967			2,166.483
Unit Cost (\$M)	30.335		21.669								29.277

Description:

MISSION: The AV-8B meets the Marine Corps requirements for a light attack aircraft to provide responsive offensive air power that can operate from austere forward bases in direct support of ground forces.

DESCRIPTION: The AV-8B Remanufacture program converts older AV-8B day attack configured aircraft to the most recent production radar/night attack Harrier II Plus configuration. The AV-8B (Harrier II) is a second generation, vertical/short takeoff and landing (V/STOL), light attack jet aircraft utilized by the USMC. The AV-8B is a responsive, versatile, and dispersible aircraft capable of being operated from air-capable ships and/or ashore in support of marine operations. FY03 through FY06 funding will implement informative shutdown actions that will purposefully preserve elements essential to regenerating T/AV-8B products or services while allowing the current production activities to cease. This effort will identify the tooling, special test equipment and data required to support sustainment capabilities in manufacturing and fabrication processes.

BASIS FOR REQUEST: \$6 million is requested in FY 2003 for AV-8B Production Line Shutdown/Transition.

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: AV-8B

\$ in thousands

		FY 2001		FY 2002		FY 2003	
		Prior Years	Qty: 12	Qty: 0		Qty: 0	
		<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>
1	Airframe CFE	1,036,466.499	15,985.049	191,820.589	0	0	0
2	CFE Electronics	0	0	0	0	0	0
3	GFE Electronics	38,372.074	661.068	7,932.817	0	0	0
4	Engines/Eng Acc	250,994.135	3,729.869	41,028.558	0	0	0
5	Armament	0	0	0	0	0	0
6	Other GFE	42,082.057	1,244.362	14,932.342	0	0	0
7	Rec Flyaway ECO	0	0	0	0	0	0
8	Rec Flyaway Cost	1,367,914.764	21,309.526	255,714.306	0	0	0
9	Non-Recur Cost	29,707.778		853.845		0	5,953.000
10	Ancillary Equip	0		0		0	0
11		0		0			
12	Total Flyaway	1,397,622.542	21,380.679	256,568.151	0	0	5,953.000
				0			
13	Airframe PGSE	44,508.217		7,690.792		0	0
14	Engine PGSE	8,196.387		924.533		0	0
15	Avionics PGSE	88,684.129		8,837.681		0	0
16	Pec Trng Eq	54,503.485		558.816		0	0
17	Pub/Tech Eq	17,866.902		3,884.743		0	0
18	Prod Eng Supt	93,510.100		21,658.498		0	0
19	ILS/REL Dem	36,623.650		15,721.662		0	0
20		0		0		0	0
21	Support Cost	343,892.869		59,276.725		0	0
				0			
22	Gross P-1 Cost	1,741,515.411		315,844.876		0	5,953.000
23	Adv Proc Credit	-132,961.057		-56,054.546		0	0
24	Net P-1 Cost	1,608,554.354		259,790.330		0	5,953.000
25	Adv Proc CY	189,015.603		0		0	0
26	Weapon System Cost	1,797,569.957		259,790.330		0	5,953.000
27	Initial Spares	83,179.000		240.000		0	0
28	Procurement Cost	1,880,748.957	21,669.194	260,030.330		0	5,953.000

ITEM NO

1

PAGE NO

2

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: AV-8B

\$ in thousands

	Prior Years Total Cost	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
		Qty: 0 Unit Cost	Total Cost	Qty: 0 Unit Cost	Total Cost	Qty: 0 Unit Cost	Total Cost	Qty: 0 Unit Cost	Total Cost		
1 Airframe CFE		0	0	0	0	0	0	0	0	0	1,228,287.088
2 CFE Electronics		0	0	0	0	0	0	0	0	0	0.000
3 GFE Electronics		0	0	0	0	0	0	0	0		46,304.891
4 Engines/Eng Acc		0	0	0	0	0	0	0	0	0	292,022.693
5 Armament		0	0	0	0	0	0	0	0		0.000
6 Other GFE		0	0	0	0	0	0	0	0	0	57,014.399
7 Rec Flyaway ECO		0	0	0	0	0	0	0	0	0	0.000
8 Rec Flyaway Cost		0	0	0	0	0	0	0	0	0	1,623,629.070
											0.000
9 Non-Recur Cost		0	12,856.000	0	4,928.000	0	1,967.000		0	0	56,265.623
10 Ancillary Equip			0		0		0		0	0	0.000
11											0.000
12 Total Flyaway		0	12,856.000	0	4,928.000	0	1,967.000	0	0	0	1,679,894.693
13 Airframe PGSE			0		0		0		0	0	52,199.009
14 Engine PGSE			0		0		0		0	0	9,120.920
15 Avionics PGSE			0		0		0		0	0	97,521.810
16 Pec Trng Eq			0		0		0		0	0	55,062.301
17 Pub/Tech Eq			0		0		0		0	0	21,751.645
18 Other ILS			0		0		0		0	0	115,168.598
19 Prod Eng Supt			0		0		0		0	0	52,345.312
20											
21 Support Cost			0		0		0		0	0	403,169.594
22 Gross P-1 Cost			12,856.000		4,928.000		1,967.000		0	0	2,083,064.287
23 Adv Proc Credit			0		0		0		0	0	(189,015.603)
24 Net P-1 Cost			12,856.000		4,928.000		1,967.000		0	0	1,894,048.684
25 Adv Proc CY			0		0		0		0	0	189,015.603
26 Weapon System Cost			12,856.000		4,928.000		1,967.000		0	0	2,083,064.287
27 Initial Spares			0		0		0		0	0	83,419.000
28 Procurement Cost			12,856.000		4,928.000		1,967.000		0	0	2,166,483.287

P-1 SHOPPING LIST

ITEM NO

PAGE NO

1

3

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System AV-8B		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy					C. P-1 ITEM NOMENCLATURE AV-8B REMANUFACTURE (MYP)				SUBHEAD U1CC/U1AK	
BUDGET ACTIVITY 1										
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>AIRFRAME</u>										
Regular / 2001	10	15,535	NAVAIR		MYP/FPIF	Boeing, St. Louis	11/00	8/02	YES	N/A
Regular / 2001	2	19,684	NAVAIR		SS/FFP	Boeing, St. Louis	3/01	8/03	YES	N/A
D. REMARKS										

CLASSIFICATION:

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System AV-8B		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy					C. P-1 ITEM NOMENCLATURE AV-8B REMANUFACTURE				SUBHEAD U1CC/U1AK	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
ENGINE										
Regular 2001	10	3,726	NAVAIR		SS/FFP	Rolls Royce, Bristol UK	11/00	11/01	YES	N/A
Regular 2001	2	4,200	NAVAIR		SS/FFP	Rolls Royce, Bristol UK	11/00	1/03	YES	N/A
D. REMARKS										

DD Form 2445, JUL 87 Previous editions are obsolete P-1 SHOPPING LIST
 311 / 244 ITEM NO 1 PAGE 6 Exhibit P-21 Production Schedule

CLASSIFICATION:

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Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY				DATE: February 2002	
P-1 ITEM NOMENCLATURE AV-8B REMANUFACTURE			Admin Leadtime (after Oct1): Two months			Prod Leadtime : 32 months		
		FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Buy Summary								
Unit Cost								
Total Cost								
Asset Dynamics								
Beginning Asset Position		52	64	74	74	74	74	
Deliveries from all prior year funding (94-00)	52	10						
Deliveries from FY 2001 funding		2	10					
Deliveries from FY 2002 funding								
Deliveries from FY 2003 funding								
Deliveries from subsequent years' funding								
Other Gains								
Combat Losses/Usage								
Training Losses/Usage								
Test Losses/Usage								
Other Losses/Usage								
Disposals/Retirements/Attritions/etc.								
End of Year Asset Position	52	64	74	74	74	74	74	
Inventory Objective or Current Authorized Allowance	72	72	74	74	74	74	74	
Aircraft: * AV-8B		Remarks: *AV-8B Remanufacture is a capabilities improvement program whereby selected day attack AV-8B's are "remanufactured" into the radar/night attack AV-8B configuration with no increase in total AV-8B inventory.						
TOAI:								
PAA:								
TAI								
Attrition Res:								
BAI								
Inactive Inv:								
Storage:								

UNCLASSIFIED

CLASSIFICATION:

UNCLASSIFIED**BUDGET ITEM JUSTIFICATION SHEET****P-40****DATE:****FEBRUARY 2002**

APPROPRIATION/BUDGET ACTIVITY

Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)

P-1 ITEM NOMENCLATURE

F/A-18E/F (FIGHTER) HORNET (MYP)

Program Element for Code B Items:

0204136N

Other Related Program Elements

	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	98		39	48	44	42	43	50	55	129	548
Net P-1 Cost (\$M)	\$9,151.438	A	\$2,737.849	\$3,029.392	\$3,073.233	\$2,910.181	\$2,865.338	\$3,424.469	\$3,840.986	\$9,543.404	\$40,576.288
Advance Proc (\$M)	\$826.588	A	\$99.981	\$88.876	\$86.259	\$87.053	\$89.007	\$95.069	\$94.767	\$192.196	\$1,659.797
Wpn Sys Cost (\$M)	\$9,978.026	A	\$2,837.830	\$3,118.268	\$3,159.492	\$2,997.234	\$2,954.345	\$3,519.538	\$3,935.753	\$9,735.599	\$42,236.085
Initial Spares (\$M)	\$320.396	A	\$129.147	\$148.231	\$14.039	\$115.215	\$38.644	\$55.686	\$41.962	\$134.170	\$997.490
Proc Cost (\$M)	\$10,298.422	A	\$2,966.977	\$3,266.499	\$3,173.531	\$3,112.449	\$2,992.989	\$3,575.224	\$3,977.715	\$9,869.769	\$43,233.575
Unit Cost (\$M)			\$76.076	\$68.052	\$72.126	\$74.106	\$69.604	\$71.504	\$72.322	\$76.510	\$78.893

DESCRIPTION:

The F/A-18 E/F Naval Strike Fighter is a twin-engine, mid-wing, multimission tactical aircraft. F/A-18 E/F can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18 E/F is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.

BASIS FOR FY 2003 BUDGET REQUEST:

Funding is requested to procure 44 aircraft. This is the fourth year of a planned five year (FY00-FY04) airframe multiyear procurement (MYP) and the second year of a planned five year (FY02-FY06) engine MYP. Exhibits for the engine MYP are attached. Additional funding is also needed for ancillary equipment and support costs. Ancillary equipment includes "bags" (pylons, launchers, external fuel tanks, etc.) and roadmap items (SHARP, IDECM, ATFLIR, and JHMCS). Support Costs include: PGSE ("O" Level, "I" Level, and Depot Level Major Structure Repair Capability); Technical Publications (Updated Interactive Electronic Tech Manuals and Automated Maintenance Environment Software); Peculiar Training Equipment (Maintenance Training System Procurements and Tactical operational Flight Trainers Upgrades); Production Engineering Support (Flight Test, Weapons Integration, and Production Line Engineering Support); and ILS (ILS Support of Build).

CLASSIFICATION:

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CLASSIFICATION:

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Exhibit P-5 Cost Analysis (Page 1)				Weapon System: F/A-18E/F					DATE: FEBRUARY 2002	
APPROPRIATION/BUDGET ACTIVITY				ID Code	P-1 ITEM NOMENCLATURE/SUBHEAD					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				A	F/A-18E/F (FIGHTER) HORNET (MYP)					
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS								
		Prior Years	FY 2001		FY 2002		FY 2003		FY 2004	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
	Quantity	98		39		48		44		42
1	Airframe/CFE	5,482,077.080	38,809.924	1,513,587.039	35,849.841	1,720,792.382	37,285.299	1,640,553.168	37,636.484	1,580,732.314
2	CFE Electronics	550,135.492	5,113.740	199,435.855	4,999.195	239,961.342	5,138.289	226,084.717	4,845.003	203,490.128
3	GFE Electronics	249,542.309	3,032.031	118,249.214	2,590.542	124,346.019	3,160.567	139,064.931	3,498.973	146,956.859
4	Engines/Eng Acc	938,286.858	8,337.497	325,162.390	7,752.233	372,107.172	7,682.289	338,020.730	7,646.794	321,165.341
5	Armament	3,199.476	244.206	9,524.053	237.000	11,376.000	241.787	10,638.635	246.865	10,368.317
6	Other GFE	44,665.430	501.396	19,554.451	459.543	22,058.068	536.478	23,605.046	479.556	20,141.352
7	Rec Flyaway ECO	168,062.290	956.615	37,307.991	793.019	38,064.918	848.469	37,332.653	849.637	35,684.772
8	Rec Flyaway Cost	7,435,968.935	56,995.410	2,222,820.993	52,681.373	2,528,705.901	54,893.179	2,415,299.880	55,203.312	2,318,539.083
9	Non-Recur Cost	644,157.918		53,975.617		63,340.648		51,735.580		53,604.141
10	Ancillary Equip	237,278.831		195,977.277		191,190.713		301,830.252		322,312.865
11	Other	0.000		0		0		0		0
12	Total Flyaway	8,317,405.684	63,404.459	2,472,773.887	57,984.110	2,783,237.262	62,928.766	2,768,865.712	64,153.716	2,694,456.089
13	Airframe PGSE	156,600.007		31,767.621		16,927.751		10,038.385		12,360.354
14	Engine PGSE	60,974.231		15,393.008		13,369.201		5,551.228		4,786.501
15	Avionics PGSE	79,576.320		55,818.421		44,339.548		44,422.546		39,019.524
16	Pec Trng Eq	300,370.034		12,912.965		28,563.035		60,003.719		31,347.526
17	Pub/Tech Eq	152,533.856		35,605.472		31,389.312		32,070.644		23,705.686
18	Prod Eng Supt	388,115.461		145,175.849		151,535.793		167,735.414		108,380.856
19	Other ILS	361,539.908		72,611.780		72,381.129		95,591.337		104,543.946
20		0		0		0		0		0
21	Support Cost	1,499,709.817		369,285.116		358,505.769		415,413.273		324,144.393
22	Gross P-1 Cost	9,817,115.501		2,842,059.003		3,141,743.031		3,184,278.985		3,018,600.482
23	Adv Proc Credit	-665,678.000		-104,210.498		-112,351.331		-111,046.467		-108,419.483
24	Net P-1 Cost	9,151,437.501		2,737,848.505		3,029,391.700		3,073,232.518		2,910,180.999
25	Adv Proc CY	826,588.499		99,981.499		88,876.300		86,259.482		87,053.000
26	Wpn Syst Cost	9,978,026.000		2,837,830.004		3,118,268.000		3,159,492.000		2,997,233.999
27	Initial Spares	320,396.000		129,147.000		148,231.000		14,039.000		115,215.000
28	Procurement Cost	10,298,422.000		2,966,977.004		3,266,499.000		3,173,531.000		3,112,448.999

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Exhibit P-5 Cost Analysis (Page 2)				Weapon System F/A-18E/F				DATE: FEBRUARY 2002	
APPROPRIATION/BUDGET ACTIVITY				ID Code	P-1 ITEM NOMENCLATURE/SUBHEAD				
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				A	F/A-18E/F (FIGHTER) HORNET (MYP)				
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS							
		FY 2005		FY 2006		FY 2007		To Complete Costs	Total Costs
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost		
	Quantity		43		50		55	129	548
1	Airframe/CFE	34,903.552	1,500,852.722	34,940.898	1,747,044.911	34,334.993	1,888,424.589	4,722,332.835	21,796,397.040
2	CFE Electronics	5,034.178	216,469.644	6,076.875	303,843.729	6,140.124	337,706.817	821,213.574	3,098,341.298
3	GFE Electronics	3,684.203	158,420.712	3,615.636	180,781.812	3,623.418	199,287.987	485,707.949	1,802,357.792
4	Engines/Eng Acc	7,672.222	329,905.525	7,706.013	385,300.654	8,225.224	452,387.333	1,061,835.413	4,524,171.416
5	Armament	252.049	10,838.101	257.342	12,867.094	262.746	14,451.033	35,354.971	118,617.680
6	Other GFE	567.225	24,390.685	554.070	27,703.502	546.803	30,074.190	71,290.148	283,482.872
7	Rec Flyaway ECO	798.751	34,346.281	820.355	41,017.773	809.502	44,522.628	110,870.928	547,210.234
8	Rec Flyaway Cost	52,912.178	2,275,223.670	53,971.190	2,698,559.475	53,942.810	2,966,854.577	7,308,605.818	32,170,578.332
9	Non-Recur Cost		56,439.697		18,381.032		17,818.121	99,402.130	1,058,854.884
10	Ancillary Equip		327,088.828		380,765.040		477,805.733	1,263,207.770	3,697,457.309
11	Other		0		0		0	0	0
12	Total Flyaway	61,831.446	2,658,752.195	61,954.111	3,097,705.547	62,954.153	3,462,478.431	8,671,215.718	36,926,890.525
13	Airframe PGSE		2,661.587		22,334.648		13,273.349	130,295.385	396,259.087
14	Engine PGSE		960.555		6,675.303		5,597.432	15,345.755	128,653.214
15	Avionics PGSE		29,609.544		18,334.864		18,075.149	116,530.548	445,726.464
16	Pec Trng Eq		21,023.304		23,745.352		26,547.342	42,896.370	547,409.647
17	Pub/Tech Eq		22,129.545		26,943.762		26,066.597	120,252.920	470,697.794
18	Prod Eng Supt		115,490.936		226,229.648		293,685.525	427,526.270	2,023,875.752
19	Other ILS		101,763.808		91,506.561		90,330.623	323,303.862	1,296,572.954
20			0		0		0	0	0
21	Support Cost		293,639.279		415,770.138		473,576.017	1,159,151.110	5,309,194.912
22	Gross P-1 Cost		2,952,391.474		3,513,475.685		3,936,054.448	9,830,366.828	42,236,085.437
23	Adv Proc Credit		-87,053.000		-89,006.526		-95,068.842	-286,963.223	-1,659,797.370
24	Net P-1 Cost		2,865,338.474		3,424,469.159		3,840,985.606	9,543,403.605	40,576,288.067
25	Adv Proc CY		89,006.526		95,068.842		94,767.392	192,195.831	1,659,797.371
26	Wpn Syst Cost		2,954,345.000		3,519,538.001		3,935,752.998	9,735,599.436	42,236,085.438
27	Initial Spares		38,644.000		55,686.000		41,962.000	134,169.659	997,489.659
28	Procurement Cost		2,992,989.000		3,575,224.001		3,977,714.998	9,869,769.095	43,233,575.097

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)				SUBHEAD Y1CF	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
AIRFRAME/CFE										
FY 2001	39	43,923.664	NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Apr-01	Oct-02	Yes	
FY01 for FY02 ADV PROC			NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Dec-00		Yes	
FY 01 for FY 02-FY04 ADV PROC (EOQ)			NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Dec-00		Yes	
FY 2002	48	40,849.036	NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Feb-02	Oct-03	Yes	
FY02 for FY03 ADV PROC			NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Feb-02		Yes	
FY 2003	44	42,423.588	NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Nov-02	Oct-04	Yes	
FY03 for FY04 ADV PROC			NAVAIR	N/A	MYP/SS/FPIF	MDA, St Louis, MO	Nov-02		Yes	
D. REMARKS										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET				SUBHEAD Y1CF	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
<u>F-414-GE-400 ENGINE</u> (2 PER A/C)										
FY 2001	78	4,168.749	NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Jun-01	Jun-02	Yes	
FY01 for FY02 ADV PROC			NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Jul-01		Yes	
FY 2002	96	3,876.117	NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Apr-02	Jun-03	Yes	
FY02 for FY03 ADV PROC			NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Apr-02		Yes	
FY 2003	88	3,841.145	NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Jun-03	Jun-04	Yes	
FY03 for FY04 ADV PROC			NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Jun-03		Yes	
D. REMARKS										

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FY 2003 Budget Production Schedule, P-21						Date FEBRUARY 2002																								
Appropriation/Budget Activity Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						Weapon System F/A-18E/F						P-1 Item Nomenclature F/A-18E/F (FIGHTER) HORNET (MYP)																		
						PRODUCTION RATE			Procurement Leadtimes																					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total	Unit of Measure								
F/A-18E/F	McDonnell Douglas Aerospace					24	42	54	0			4			33			33			37	E								
	McDonnell Douglas Corp. (Boeing)																													
	St. Louis, MO. 63165																													
ITEM / MANUFACTURER						FISCAL YEAR 2002												FISCAL YEAR 2003												BAL
						2001			CALENDAR YEAR 2002									CALENDAR YEAR 2003												
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
F/A-18E	00	N	15	0	15	1	2	1	2	1	2	1	1	1	1	1	1												0	
F/A-18F	00	N	21	0	21	2	1	2	1	2	1	2	2	2	2	2	2												0	
F/A-18E	01	N	14	0	14													1	1	1	1	1	1	2	1	1	2	1	1	0
F/A-18F	01	N	25	0	25													2	2	2	2	2	2	2	3	2	2	2	2	0
ITEM / MANUFACTURER						FISCAL YEAR 2004												FISCAL YEAR 2005												BAL
						2003			CALENDAR YEAR 2004									CALENDAR YEAR 2005												
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
F/A-18E	02	N	29	0	29	2	2	3	2	3	2	3	2	3	2	3	2												0	
F/A-18F	02	N	19	0	19	2	2	1	2	1	2	1	2	1	2	1	2												0	
F/A-18E	03	N	13	0	13													2	1	1	1	1	1	1	1	1	1	1	1	0
F/A-18F	03	N	31	0	31													2	3	3	3	2	3	2	3	2	3	2	3	0
Remarks:																														

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21							DATE FEBRUARY 2002																		
APPROPRIATION/BUDGET ACTIVITY						Weapon System						P-1 ITEM NOMENCLATURE													
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						F/A-18E/F						F/A-18E/F (FIGHTER) HORNET (MYP)													
						Production Rate			Procurement Leadtimes																
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure											
F414-GE-400 ENGINE	GENERAL ELECTRIC CO					36	120	144	0	7	27	26	33	E											
(F/A18 AIRCRAFT)	LYNN, MA																								

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						2001			CALENDAR YEAR 2002									CALENDAR YEAR 2003												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						INSTALLS - FY00	00	N	72	24	48	6	6	6	6	6	6	6	6											
SPARES	00	N	5	1	4		1		1		1		1															0		
INSTALLS - FY01	01	N	78	0	78								6	7	7	7	7	7	7	6	6	6	6	6				0		
SPARES	01	N	8	0	8								1	1	1	1	1	1	1	1								0		
INSTALLS - FY02	02	N	96	0	96																			8	8	8	8	64		
SPARES	02	N	13	0	13																				1	1		11		

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L
						2003			CALENDAR YEAR 2004									CALENDAR YEAR 2005												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						INSTALLS - FY02	02	N	96	32	64	8	8	8	8	8	8	8	8											
SPARES	02	N	13	2	11	1	1	1	2	2	2	1	1															0		
INSTALLS - FY03	03	N	88	0	88									7	7	7	7	7	8	7	8	7	8					0		
SPARES	03	N	6	0	6									1	1		1	1		1		1						0		
INSTALLS - FY04	04	N	84	0	84																			7	7	7	7	56		
SPARES	04	N	7	0	7																			1		1		5		

Remarks:

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21							DATE FEBRUARY 2002																		
APPROPRIATION/BUDGET ACTIVITY						Weapon System						P-1 ITEM NOMENCLATURE													
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						F/A-18E/F						F/A-18E/F (FIGHTER) HORNET (MYP)													
						Production Rate			Procurement Leadtimes																
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure											
F414-GE-400 ENGINE	GENERAL ELECTRIC CO					36	120	144	0	7	27	26	33	E											
(F/A18 AIRCRAFT)	LYNN, MA																								

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						2005			CALENDAR YEAR 2006									CALENDAR YEAR 2007												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						INSTALLS - FY04	04	N	84	28	56	7	7	7	7	7	7													
SPARES	04	N	7	2	5	1		1		1	1																	0		
INSTALLS - FY05	05	N	86	0	86							7	7	7	7	7	7	7	8	7	8	7	7					0		
SPARES	05	N	7	0	7							1		1		1	1		1	1								0		
INSTALLS - FY06	06	N	100	0	100																			8	9	8	9	66		
SPARES	06	N	7	0	7																		1		1			5		

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2008												FISCAL YEAR 2009												B A L
						2007			CALENDAR YEAR 2008									CALENDAR YEAR 2009												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						INSTALLS - FY06	06	N	100	34	66	8	9	8	9	8	8													
SPARES	06	N	7	2	5	1		1		1	1																	0		
INSTALLS - FY07	07	N	110	0	110							9	10	9	10	9	9	9	9	9	9	9						0		
SPARES	07	N	7	0	7							1		1		1	1		1	1								0		

Remarks:

CLASSIFICATION:

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Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				DATE: FEBRUARY 2002	
P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)		Admin Leadtime (after Oct1): 4 Month		Prod Leadtime : 33 Months			
		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Buy Summary		39	48	44	42	43	50
Unit Cost		\$76.076	\$68.052	\$72.126	\$74.106	\$69.604	\$71.504
Total Cost		\$2,966.977	\$3,266.499	\$3,173.531	\$3,112.449	\$2,992.989	\$3,575.224
Asset Dynamics							
Beginning Asset Position		30	62	98	137	184	227
Deliveries from all prior year funding		32	36	0	0	0	0
Deliveries from FY 2001 funding		0	0	39	0	0	0
Deliveries from FY 2002 funding		0	0	0	48	0	0
Deliveries from FY 2003 funding		0	0	0	0	44	0
Deliveries from subsequent years' funding		0	0	0	0	0	42
Other Gains		0	0	0	0	0	0
Combat Losses/Usage		0	0	0	0	0	0
Training Losses/Usage		0	0	0	0	0	0
Test Losses/Usage		0	0	0	0	0	0
Other Losses/Usage		0	0	0	0	0	0
Disposals/Retirements/Attritions/etc.		0	0	0	1	1	1
End of Year Asset Position		62	98	137	184	227	268
Inventory Objective or Current Authorized Allowance		61	90	138	178	227	308
Aircraft:	F/A-18E/F	Remarks: TOAI reflects latest adjustments in the POM-02 All Aircraft Inventory report.					
TOAI:	329						
PAA:	308						
TAI:	329						
Attrition Res:	0						
BAI:	21						
Inactive Inv:	0						
Storage:	0						

CLASSIFICATION:

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Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

1. Multiyear Procurement Description:

This proposed multiyear procurement (MYP) covers the purchase of 454 F414 engines in FY 2002 through FY 2006 under a single, five-year fixed price type contract. These engines constitute the third through seventh year of full-rate production, following three years of low rate production (LRIP) during which 124 engines were produced and two years of full rate production in which 150 engines are being produced. Currently, the F/A-18E/F airframe is being procured under a multi-year procurement contract covering FY 2000 through FY 2004. The Engine MYP strategy has been structured to achieve saving of approximately 2.8% while providing quantity flexibility for emergent requirements.

A unique feature of this MYP is its allowance for quantity flexibility. The government will include a variation in quantity clause that will match the variation in quantity clause in the aircraft procurement in any year at the time of initial funding for that year. The engine production line has a maximum capacity to manufacture 115 engines per year.

P-1 Shopping List - Item No. 2

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

2. Benefit to the Government:

a. Substantial Savings:

Implementation of this proposed multiyear procurement provides a significant opportunity for cost avoidance throughout the term of the contract. Specifically, total savings/cost avoidance for FY 2002 through 2006 attributed to this multiyear strategy is estimated at \$51.0M.

Cost reduction initiatives and procuring at economic order quantities will also yield savings. Procuring select components at economic order quantities will reduce cost by reducing the number of production set-ups, reducing administrative costs, receiving price breaks for raw materials and components, and through stability-related savings. In addition to cost saving generated through these investments and initiatives, procuring at economic order quantities will also yield saving by passing on multiyear provisions to suppliers.

- Many of the engine's internal components have minimum buy quantities, which may not be met under single year procurements, driving up unit costs, as the total cost is artificially high. Multiyear procurement quantities will allow the prime contractor and subcontractors at all tiers to exceed minimum order quantities and capture saving on these components. Typically, suppliers will provide price discounts to lock in business. Given a five-year contract, suppliers will have greater total business and greater stability. Therefore, they will be capable of finding innovative processes and be able to justify capital investments necessary to reduce costs. Some of these cost reductions will be passed on to the customer in the form of price reductions. In addition to these types of process innovations and capital investments, competition is expected to be greater based on larger purchase volumes.
- Administrative costs are reduced since there is only one proposal, negotiation, and purchase order instead of a string of five single year procurement actions. These costs are reduced to the prime contractor, since they have only one contract to negotiate with the government vice five. Prime contractor cost will also be reduced, as subcontracts at all tiers will only be entered into once. Since some suppliers include proposal preparation and negotiation as a direct charge to the purchase order, there will be a dollar for dollar reduction in these

P-1 Shopping List - Item No. 2

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

cases and the savings will not get lost in overhead rates. Another reduction that will be realized is in production planning. Savings will be gained as production line administrative processes will only be performed once rather than five times under single year procurement.

- Reducing the number of setups can provide significant saving when producing components or materials with high setup to run ratios and the dollar value of the component is low. Castings and forgings are examples of areas in which lower prices can be negotiated with suppliers based on reduced setup costs associated with larger quantity procurements.

b. Stability of Requirement:

The requirement for the F414 engine directly correlates to the requirement for the F/A-18E/F airframe. The F/A-18E/F airframe is in the third year (FY02) of its multiyear procurement contract. There is a planned production rate of 48 airframes in FY2002, 44 airframes in FY03, and 42 airframes in FY04.

The F/A-18F has been identified as the platform to take on the mission requirements previously conducted by the F-14 aircraft and will substantially reduce operating and support costs as compared to the F-14. Therefore, inventory objective and planned production rates are expected to remain stable throughout the term of the proposed multiyear procurement and likely through the end of the production.

c. Stability of Funding:

The Navy has demonstrated its commitment to a stable funding stream for the F414 engine multiyear through every step of PPBS process. The Navy has shown its commitment to the F/A-18E/F multiyear plan by fully funding the engine multiyear contract.

Additionally, the Quadrennial Defense Review and Defense Planning Guidance have set the total program and FYDP production quantities as well as the maximum yearly production rate. These documents emphasize the criticality of the F/A-18E/F to overall DOD Aviation planning and demonstrated the Department's commitment to properly fund this weapons system to the quantities proposed in the multiyear plan.

P-1 Shopping List - Item No. 2

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

d. Stable Configuration:

Currently, the F414 Engine has completed more than 34,000 hours of operational flight hours and is in its second year of full rate production (FY01 program dollars). The F414 engine has a stable configuration. The contractor's unrivaled technical success, production and field experience, and substantial knowledge gained during the first two years of full rate production provide for a technically mature configuration with which to enter a multiyear procurement.

e. Realistic Cost Estimate:

The NAVAIR Cost Analysis group participated in the validation of the contractor multiyear proposal. The cost saving proposed by the contractor was evaluated for reasonableness. Specifically, the projected cost saving of 2.8 % was compared favorably to the savings generated by other aviation programs.

f. National Security:

The Quadrennial Defense Review and Defense Planning Guidance have set the total program and FYDP production quantities as well as the maximum yearly production rate. These documents emphasize the criticality of the F/A-18E/F to overall National Security Strategy and demonstrate the Department's commitment to properly fund this weapons system to the quantities proposed in the multiyear plan.

P-1 Shopping List - Item No. 2

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: F/A-18E/F (FIGHTER) HORNET F414 Engine

The National Security implications are two-fold. First is maintaining the industrial base for carrier-launched aircraft, where the F/A-18E/F line is the only active line capable of building carrier-based fighter aircraft. Second is providing a creditable fleet asset until the procurement of the Joint Strike Fighter. Until the Joint Strike Fighter is built and completes EMD in approximately 8-10 years, the F/A-18E/F will be the premier Naval fighter aircraft. The F/A-18F replaces the F-14, with the F/A-18E replacing the F/A-18C.

3. Source of Savings:

	<u>\$ in Millions</u>
Inflation	2.715
Vendor Procurement	15.600
Manufacturing	27.481
Design/Engineering	4.847
Tool Design	0.401
Support Equipment	0.000
Other	<u>0.000</u>
Total	51.044

P-1 Shopping List - Item No. 2

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

4. Advantages of the MYP:

This MYP strategy has been structured to achieve savings (\$51.0M), while avoiding the need for additional obligation authority for up front investment and providing unprecedented quantity flexibility for emergent requirements. The government will include a variation in quantity clause that will match the variation in quantity clause in the aircraft procurement in any year at the time of initial funding for that year. Although any engine deletions will erode some of the saving resulting from economies of scale and contractor cost reductions realized from vendors, planning, and supplier management, this provision provides unprecedented ability for the government to address emergency funding demands without totally forgoing the MYP savings. The ability to increase quantities also benefits the government by providing an ability to procure emergent requirements for more engines, including foreign military sales customers, again without breaking the MYP or disturbing the savings already established in the baseline.

5. Impact on Industrial Base:

Implementation of this proposed MYP would also yield a favorable impact on the industrial base. The stability afforded by the use of a multiyear procurement will allow the prime contractor to enter into long-term agreements with suppliers, at every tier, which provide substantial cost avoidance. Such long-term agreements incentivize both the prime and subcontractors to invest in process improvements, which will yield long-term benefits in terms of product quality and cost. The stability of the prime multiyear contract will also foster improved competition at the subcontractor level, as the offer of a longer-term business arrangement will encourage more aggressive pursuit of a contract award. The contractor and subcontractors will be at a reduced risk when implementing production process improvements, facility improvements, tooling design improvements, and fabrication process. The ability for the government and industry to enter into a long-term agreement will allow industry the opportunity to place capital investments up front, which reduces the overall cost and improves the quality of the F414 engine.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET F414 Engine

6. Multiyear Procurement Summary:

	Annual <u>Contracts</u>	MYP <u>Alternate</u>
Quantity	454	454
Total Contract Price	\$1811.712	\$1760.668
Cancellation Ceiling (highest point)		
<i>Funded</i>		
<i>Unfunded</i>		
\$ Cost Avoidance Over Annual		51.044
% Cost Avoidance Over Annual		2.8%

P-1 Shopping List - Item No. 2

Exhibit MYP-2, Total Program Funding Plan							Date FEBRUARY 2002					
Appropriation/Budget Activity Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 Line Item Nomenclature F/A-18E/F (FIGHTER) HORNET (MYP)					
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Total
Procurement Quantity		48	44	42	43	50						227
Annual Procurement												
Gross Cost		3,141.325	3,186.669	3,031.606	2,968.665	3,533.268						15,861.534
Less PY Adv Procurement		-112.351	-111.046	-108.419	-87.053	-89.007						-507.877
Net Procurement (=P-1)		3,028.974	3,075.623	2,923.187	2,881.612	3,444.261						15,353.657
Plus CY Adv Procurement	99.981	88.876	86.259	87.053	89.007							451.176
Weapon System Cost	99.981	3,117.850	3,161.882	3,010.240	2,970.619	3,444.261						15,804.833
Multiyear Procurement												
Gross Cost (P-1)		3,141.743	3,184.279	3,018.600	2,952.391	3,513.476						15,810.490
Less PY Adv Procurement		-112.351	-111.046	-108.419	-87.053	-89.007						-507.877
Net Procurement (=P-1)		3,029.392	3,073.233	2,910.181	2,865.338	3,424.469						15,302.613
Advance Procurement												
For FY 2002	99.981											99.981
For FY 2003		88.876										88.876
For FY 2004			86.259									86.259
For FY 2005				87.053								87.053
For FY 2006					89.007							89.007
Total Adv Procurement	99.981	88.876	86.259	87.053	89.007							451.176
Weapon System Cost	99.981	3,118.268	3,159.492	2,997.234	2,954.345	3,424.469						15,753.789
Multiyear Savings (\$)		-0.418	2.390	13.006	16.274	19.792						51.044
Cancellation Ceiling - Funded												
Cancellation Ceiling - Unfunded												
OUTLAYS												
Annual	15.997	538.348	1,769.646	2,740.428	2,870.522	3,010.456	2,695.974	1,480.462	394.242	209.539	79.218	15,804.833
Multiyear	15.997	538.415	1,769.428	2,737.538	2,862.036	2,996.549	2,682.061	1,472.540	392.108	208.353	78.763	15,753.789
Savings		-0.067	0.217	2.890	8.486	13.907	13.914	7.921	2.134	1.186	0.455	51.044
Remarks FY 02, FY 03 & FY 04 Advance Procurement credits include MYP EOQ funding for the airframe contract from FY 00 & FY 01.												

P-1 Shopping List - Item No. 2

Exhibit MYP-2, Total Program Funding Plan
(MYP page 8 of 10)

Exhibit MYP-3, Contract Funding Plan							Date					
Appropriation/Budget Activity							FEBRUARY 2002					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 Line Item Nomenclature					
							F/A-18E/F (FIGHTER) HORNET - Engine					
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY2007	FY2008	FY 2009	FY 2010	FY 2011	Total
Procurement Quantity		96	88	84	86	100						454
Annual Procurement												
Gross Cost		385.400	347.010	333.900	343.412	401.990						1,811.712
Less PY Adv Procurement		-15.356	-18.433	-17.207	-17.269	-17.669						-85.934
Net Procurement (=P-1)		370.044	328.577	316.693	326.143	384.321						1,725.778
Plus CY Adv Procurement	15.356	18.433	17.207	17.269	17.669							85.934
Contract Price	15.356	388.477	345.784	333.962	343.812	384.321						1,811.712
Multiyear Procurement												
Gross Cost (P-1)		385.818	344.620	320.894	327.138	382.198						1,760.668
Less PY Adv Procurement		-15.356	-18.433	-17.207	-17.269	-17.669						-85.934
Net Procurement (=P-1)		370.462	326.187	303.687	309.869	364.529						1,674.734
Advance Procurement												
For FY 2002	15.356											15.356
For FY 2003		18.433										18.433
For FY 2004			17.207									17.207
For FY 2005				17.269								17.269
For FY 2006					17.669							17.669
Total Adv Procurement	15.356	18.433	17.207	17.269	17.669							85.934
Contract Price	15.356	388.895	343.394	320.956	327.538	364.529						1,760.668
Multiyear Savings (\$)		-0.418	2.390	13.006	16.274	19.792						51.044
Cancellation Ceiling - Funded												
Cancellation Ceiling - Unfunded												
OUTLAYS												
Annual	2.457	68.222	213.719	316.014	321.817	341.515	305.330	165.682	44.452	23.665	8.839	1,811.712
Multiyear	2.457	68.289	213.501	313.124	313.331	327.608	291.416	157.760	42.318	22.479	8.384	1,760.668
Savings		-0.067	0.217	2.890	8.486	13.907	13.914	7.921	2.134	1.186	0.455	51.044
Remarks												

P-1 Shopping List - Item No. 2

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET P-40							DATE: FEBRUARY 2002				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						P-1 ITEM NOMENCLATURE F/A-18E/F ADVANCE PROCUREMENT (MYP)					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
COST (In Millions)	\$826.588	A	\$99.981	\$88.876	\$86.259	\$87.053	\$89.007	\$95.069	\$94.767	\$192.196	\$1,659.797
<p><u>MISSION AND DESCRIPTION:</u> The F/A-18 Naval Strike Fighter is a twin-engine, mid-wing, multimission tactical aircraft. F/A-18 can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18 is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.</p> <p><u>BASIS FOR FY 2003 BUDGET REQUEST:</u> The FY 2003 request covers Airframe Contractor Furnished Equipment (CFE) MYP, engine termination liability, and long lead items for Government Furnished Equipment (GFE).</p>											

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)							Date: FEBRUARY 2002					
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft							P-1 Line Item Nomenclature F/A-18E/F ADVANCE PROCUREMENT (MYP)					
Weapon System F/A-18E/F							Interval between Systems 1 1/2 Weeks					
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
End Item Qty			98	39	48	44	42	43	50	55	129	548
CFE- Airframe T.L.	33		536.8				68.7	70.2	75.0	74.7	151.6	977.1
EOQ/Long lead												
FOR FY 2000												0.0
FOR FY 2001 Long Lead			70.0									70.0
FOR FY 2001 EOQ			16.5									16.5
FOR FY 2002 Long Lead				74.7								74.7
FOR FY 2002 EOQ			18.9	3.3								22.2
FOR FY 2003 Long Lead					69.1							69.1
FOR FY 2003 EOQ			18.9	3.3								22.2
FOR FY 2004 Long Lead						67.8						67.8
FOR FY 2004 EOQ			18.9	3.3								22.2
TOTAL EOQ/Long Lead	Var.	Var.	143.2	84.5	69.1	67.8	0.0	0.0	0.0	0.0	0.0	364.6
GFE - F414 Eng.- T.L.	26		139.9	15.5	18.4	17.2	17.3	17.7	18.9	18.8	38.2	301.9
GFE - Other	Var.	Var.	6.7	0.0	1.3	1.2	1.0	1.1	1.2	1.2	2.4	16.2
Total AP			826.6	100.0	88.9	86.3	87.1	89.0	95.1	94.8	192.2	1659.8
Description:												
<p>NARRATIVE DESCRIPTION:</p> <p>This line item funds EOQ requirements for the MYP and long-lead requirements for the F/A-18 E/F production program. Airframe /CFE and engine requirements are calculated on a termination liability basis through 31 October of the following fiscal year, reflecting the contractor's funding requirements for the procurement of long-lead parts and material necessary to protect the delivery schedule. Other Government Furnished Equipment (GFE) requirements are determined on a fully loaded basis, procuring the long-lead quantity needed to protect the production schedule.</p> <p>If the advanced procurement funding is not approved, a nine month break in production would occur and cause a significant increase in the cost to the government.</p>												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: FEBRUARY 2002		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft				Weapon System F/A-18E/F		P-1 Line Item Nomenclature F/A-18E/F ADVANCE PROCUREMENT (MYP)			
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2002 For FY 2003 Qty	FY 2002 Contract Forecast Date	FY 2002 Total Cost Request	FY 2003 For FY 2004 Qty	FY 2003 Contract Forecast Date	FY 2003 Total Cost Request
End Item		N/A				N/A			
Long Lead-Airframe	33		N.A.	MYP	Feb-02	69.1	MYP	Nov-02	67.8
GFE - Engine - T.L.	26		N.A.	T.L.	Apr-02	18.4	T.L.	Jun-03	17.2
GFE - Other	Var.	Var.	N.A.	Var.	Var.	1.3	Var.	Var.	1.2
Total AP						88.9			86.3
Description:									

CLASSIFICATION: UNCLASS

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: FEBRUARY 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft						P-1 ITEM NOMENCLATURE LI 4/V-22 OSPREY					
Program Element for Code B Items: 0206121M						Other Related Program Elements 1110011F/Proj 643752, 1160404BB/Proj 643752					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	30	B	9	9	11	13	15	20	27	274	408
Net P-1 Cost (\$M)	2,906.235		891.812	772.545	1,045.660	1,035.944	1,125.955	1,493.596	2,015.445	16,220.579	27,507.771
Advance Proc (\$M)	273.662		71.150	36.428	60.298	72.538	88.250	99.585	126.619	1,177.860	2,006.390
Wpn Sys Cost (\$M)	3,179.897		962.962	808.973	1,105.958	1,108.482	1,214.205	1,593.181	2,142.064	17,398.439	29,514.161
Initial Spares (\$M)	181.492		48.277	75.258	214.042	115.436	32.398	31.149	33.622	340.809	1,072.483
Proc Cost (\$M)	3,361.389		1,011.239	884.231	1,320.000	1,223.918	1,246.603	1,624.330	2,175.686	17,739.248	30,586.644
Unit Cost (\$M)	112.046		112.360	98.248	120.000	94.148	83.107	81.217	80.581	64.742	74.967

Description:

The V-22 is a tilt-rotor vertical takeoff and landing aircraft currently being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the world.

As a result of the December 11, 2000 mishap we have conducted comprehensive internal and external reviews of the program. An independent review panel was appointed to conduct these reviews. This budget reflects the recommended changes to the program to correct deficiencies and move forward.

The current procurement objective is 458: 360 MV-22 Marine Corps aircraft, 48 HV-22 Navy aircraft, and 50 CV-22 aircraft for USSOCOM (funded by USSOCOM and the Air Force). The program is executing Low Rate Initial Production lots prior to a Milestone III decision.

Basis for Request:
FY2003 funding is requested to procure 11 MV-22's with support.

Department of Navy Summary

QUANTITY	ITEM	Prior Years Qty: 30	FY01 Qty: 9		FY02 Qty: 9		FY03 Qty: 11	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1.	AIRFRAME/CFE	2,305,275.600	66,553.669	598,983.018	66,298.365	596,685.289	67,497.088	742,467.970
2.	ENGINES/ACCESS*	118,648.900	3,660.000	58,560.000	4,435.835	8,871.670	3,666.000	40,326.000
3.	CFE MISSION ELEC	-	-	-	-	-	-	-
4.	GFE ELECTRONICS	9,390.800	750.463	6,754.167	372.488	3,352.389	719.346	7,912.806
5.	ARMAMENT	-	-	-	-	-	-	-
6.	OTHER GFE	-	-	-	-	-	-	-
	SUBTOTAL GFE	128,039.700	7,257.130	65,314.167	4,808.323	12,224.059	4,385.346	48,238.806
7.	REC FLYAWAY ECO	15,210.982	2,884.444	25,960.000	2,651.935	23,867.412	1,349.942	14,849.359
8.	REC FLYAWAY COST	2,448,526.282	76,695.243	690,257.185	73,758.623	632,776.759	73,232.376	805,556.136
9.	NON-RECURRING	130,252.200		89,735.785		40,689.090		68,799.321
10.	ANCILLARY EQUIP	-		-		11,054.687		2,055.134
11.	RESOLUTION MATRIX**	-		-		-		65,000.000
12.	TOTAL FLYAWAY	2,578,778.482	86,665.885	779,992.970	76,057.837	684,520.536	85,582.781	941,410.590
13.	AIRFRAME PGSE	45,353.700		24,529.400		27,781.232		30,073.086
14.	ENGINE PGSE	764.600		889.200		1,673.400		431.885
15.	AVIONICS PGSE	15,130.100		20,715.636		24,478.264		35,961.599
16.	PEC TRNG EQ/PTS	94,768.400		4,733.500		56,267.775		2,793.000
17.	PUBS / TECH DATA	35,666.400		24,912.096		10,033.000		13,457.084
18.	OTHER ILS	67,224.200		40,038.798		36,770.500		40,623.031
19.	PROD ENG SUPT	40,926.530		37,747.400		30,308.293		17,337.725
20.	FY89 FUNDING	231,400.000		-		-		-
21.		-		-		-		-
22.	TOTAL SUPPORT COST	531,233.930		153,566.030		187,312.464		140,677.410
23.	GROSS P-1 COST	3,110,012.412		933,559.000		871,833.000		1,082,088.000
24.	ADV PROC CREDIT***	(203,777.049)		(41,747.000)		(99,288.000)		(36,428.000)
25.	NET P-1 COST	2,906,235.363		891,812.000		772,545.000		1,045,660.000
26.	ADV PROCUREMENT	273,662.049		71,150.000		36,428.000		60,298.000
27.	WEAPON SYS COST	3,179,897.412		962,962.000		808,973.000		1,105,958.000
28.	INITIAL SPARES	181,492.000		48,277.000		75,258.000		214,042.000
29.	PROCUREMENT COST	3,361,389.412	112,359.889	1,011,239.000	98,247.889	884,231.000	120,000.000	1,320,000.000

* Line 2: FY01 and FY02 Unit Cost columns show the true unit cost values. The Total Cost columns show the funding of engines for 16 a/c in FY01 to be used for 9 FY01 aircraft and 7 FY02 aircraft, and funding in FY02 of engines for 2 aircraft.

** Line 11: Represents the cost of out of sequence work performed on aircraft at the contractor's facility in Amarillo, TX. This work is required to bring the aircraft to a safe and operational configuration prior to final acceptance by the government, in accordance with Blue Ribbon Panel recommendations.

*** Line 24: FY00 Advance Procurement funded long lead for 16 aircraft. A FY01 aircraft quantity reduction resulted in FY00 advance procurement funding being applied to FY01 and FY02

Department of Navy Summary

QUANTITY		FY04 Qty: 13		FY05 Qty: 15		FY06 Qty: 20		FY07 Qty: 27		Qty: 274		Total Qty: 408	
ITEM	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	To Complete	Unit Cost	Total Cost
1. AIRFRAME/CFE	62,512.704	812,665.148	59,964.648	899,469.722	59,862.670	1,197,253.398	57,948.301	1,564,604.137	14,547,045.246			57,020.710	23,264,449.528
2. ENGINES/ACCESS*	3,732.987	48,528.830	3,803.300	57,049.504	3,875.563	77,511.261	3,949.199	106,628.364	1,221,699.564			4,259.373	1,737,824.092
3. CFE MISSION ELEC	-	-	-	-	-	-	-	-	-	-	-	-	-
4. GFE ELECTRONICS	782.796	10,176.348	798.452	11,976.780	814.421	16,288.420	830.710	22,429.170	269,044.942			875.799	357,325.822
5. ARMAMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
6. OTHER GFE	-	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL GFE	4,515.783	58,705.178	4,601.752	69,026.284	4,689.984	93,799.681	4,779.909	129,057.534	1,490,744.506			5,135.171	2,095,149.913
7. REC FLYAWAY ECO	2,500.508	32,506.606	2,398.586	35,978.789	2,394.507	47,890.136	3,476.898	93,876.248	290,940.905			1,424.217	581,080.437
8. REC FLYAWAY COST	69,528.995	903,876.932	66,964.986	1,004,474.794	66,947.161	1,338,943.215	66,205.108	1,787,537.919	16,328,730.657			63,580.098	25,940,679.878
9. NON-RECURRING		-		11,700.000		20,770.000		12,600.000	38,726.000				413,272.395
10. ANCILLARY EQUIP		1,800.846		1,755.143		1,729.850		32,500.000	25,444.260				76,339.919
11. RESOLUTION MATRIX**		57,000.000		6,000.000		5,000.000		-	-				133,000.000
12. TOTAL FLYAWAY	74,052.137	962,677.778	68,261.996	1,023,929.937	68,322.153	1,366,443.065	67,875.478	1,832,637.919	16,392,900.917			65,106.108	26,563,292.192
13. AIRFRAME PGSE		25,967.110		26,470.419		51,835.318		61,583.554	230,882.287				524,476.106
14. ENGINE PGSE		268.120		1,195.532		347.410		1,596.936	8,662.338				15,829.421
15. AVIONICS PGSE		37,027.229		32,666.965		32,465.502		43,015.310	209,787.601				451,248.206
16. PEC TRNG EQ/PTS		5,043.000		46,095.455		18,211.022		40,769.028	155,251.056				423,932.236
17. PUBS / TECH DATA		9,224.537		8,772.000		14,428.260		23,866.279	78,361.037				218,720.693
18. OTHER ILS		35,913.939		42,364.160		67,539.249		70,915.887	215,253.288				616,643.052
19. PROD ENG SUPT		20,120.287		16,998.532		30,576.174		40,645.087	233,959.554				468,619.582
20. FY89 FUNDING		-		-		-		-	-				231,400.000
21. TOTAL SUPPORT COST		133,564.222		174,563.063		215,402.935		282,392.081	1,132,157.161				2,950,869.296
23. GROSS P-1 COST		1,096,242.000		1,198,493.000		1,581,846.000		2,115,030.000	17,525,058.077				29,514,161.488
24. ADV PROC CREDIT		(60,298.000)		(72,538.000)		(88,250.000)		(99,585.000)	(1,304,479.227)				(2,006,390.275)
25. NET P-1 COST		1,035,944.000		1,125,955.000		1,493,596.000		2,015,445.000	16,220,578.851				27,507,771.213
26. ADV PROCUREMENT		72,538.000		88,250.000		99,585.000		126,619.000	1,177,860.227				2,006,390.275
27. WEAPON SYS COST		1,108,482.000		1,214,205.000		1,593,181.000		2,142,064.000	17,398,439.077				29,514,161.488
28. INITIAL SPARES		115,436.000		32,398.000		31,149.000		33,622.000	340,808.500				1,072,482.500
29. PROCUREMENT COST	94,147.538	1,223,918.000	83,106.867	1,246,603.000	81,216.500	1,624,330.000	80,580.963	2,175,686.000	17,739,247.578			74,967.265	30,586,643.989

* Line 2: FY01 and FY02 Unit Cost columns show the true unit cost values. The Total Cost columns show the funding of engines for 16 a/c in FY01 to be used for 9 FY01 aircraft and 7 FY02 aircraft, and funding in FY02 of engines for 2 aircraft.

** Line 11: Represents the cost of out of sequence work performed on aircraft at the contractor's facility in Amarillo, TX. This work is required to bring the aircraft to a safe and operational configuration prior to final acceptance by the government, in accordance with Blue Ribbon Panel recommendations.

*** Line 24: FY00 Advance Procurement funded long lead for 16 aircraft. A FY01 aircraft quantity reduction resulted in FY00 advance procurement funding being applied to FY01 and FY02.

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System V-22		A. DATE FEBRUARY 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft					C. P-1 ITEM NOMENCLATURE LI 5/V-22				SUBHEAD AP: U1CV Reg: U1CW	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Airframe:</u>										
FY2001 Airframe (Lot V)	9	\$66.6	NAVAIR	Mar-00	SS/FPIF	Bell-Boeing, Patuxent River, MD.	Mar 02	Feb 03*	Yes	N/A
FY2001 Adv Procurement			NAVAIR	Aug-01	SS/AAC	Bell-Boeing, Patuxent River, MD.	Aug 01		Yes	N/A
FY2002 Airframe (Lot VI)	9	\$66.3	NAVAIR	Aug-01	SS/FPIF	Bell-Boeing, Patuxent River, MD.	Mar 02	Jan 04	Yes	N/A
FY2002 Adv Procurement			NAVAIR	Feb 02	SS/AAC	Bell-Boeing, Patuxent River, MD.	Feb 02		Yes	N/A
FY2003 Airframe (Lot VII)	11	\$67.5	NAVAIR	Aug-02	SS/FPIF	Bell-Boeing, Patuxent River, MD.	Mar 03	Jan 05	Yes	N/A
FY2003 Adv Procurement			NAVAIR	Dec-02	SS/AAC	Bell-Boeing, Patuxent River, MD.	Dec-02		Yes	N/A
D. REMARKS Quantity changes and Schedule Slippages due to Program Restructure. * A/C partially built awaiting Block A configuration update before being completed and delivered.										

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System V-22		A. DATE FEBRUARY 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft					C. P-1 ITEM NOMENCLATURE LI 5/V-22				SUBHEAD AP: U1CV Reg: U1CW	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Engine:</u>										
FY2001 Engine (Lot V) *	32	\$1.8	NAVAIR	Dec 95	SS/FFP	Rolls Royce Indianapolis, IN	Nov 00	Apr 02	Yes	TBD
FY2002 Engine (Lot VI)	4	\$2.2	NAVAIR	Dec 95	SS/FFP	Rolls Royce Indianapolis, IN	Mar 02	Aug 03	Yes	TBD
FY2003 Engine (Lot VII)	22	\$1.8	NAVAIR	Dec 95	SS/FFP	Rolls Royce Indianapolis, IN	Dec 02	Apr 04	Yes	TBD
D. REMARKS										
*NOTE: 18 Engines are for FY01 aircraft. 14 Engines are for FY02 aircraft.										

FY2003 PRESIDENT'S BUDGET PRODUCTION SCHEDULE, P-21														DATE		FEBRUARY 2002															
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft														Weapon System V-22				P-1 ITEM NOMENCLATURE LI 5/V-22													
						Production Rate				Procurement Leadtimes																					
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1		ALT After Oct 1		Initial Mfg PLT		Reorder Mfg PLT		Total		Unit of Measure												
Airframe		Bell-Boeing				11	32	44	5		4		35		35		39		Each												
		Patuxent River, MD																													

FY 2003 PRESIDENT'S BUDGET PRODUCTION SCHEDULE, P-21										DATE FEBRUARY 2002																					
APPROPRIATION/BUDGET ACTIVITY						Weapon System		P-1 ITEM NOMENCLATURE																							
Aircraft Procurement, Navy						V-22		LI 6/V-22																							
		Production Rate			Procurement Leadtimes																										
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																	
Airframe	Bell-Boeing					11	32	44	5	4	35	35	39	Each																	
	Patuxent River, MD																														
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005										FISCAL YEAR 2006										B A L					
						2004		CALENDAR YEAR 2005										2005			CALENDAR YEAR 2006										
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P		
AIRFRAME																															
Lot VI	02	M	9	6	3	1	1	1																						0	
Lot VII	03	M	11	0	11				1	1	1	1	1	1		1	1	1	1	1										0	
Lot VIII	04	M	13	0	13																1	1	1	1	1	1	1	1	1	4	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007										FISCAL YEAR 2008										B A L					
						2006		CALENDAR YEAR 2007										2007			CALENDAR YEAR 2008										
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P		
Lot VIII	04	M	13	9	4	2	1	1																						0	
Lot IX	05	M	15	0	15				1	1	2		2	1	1	2	1	1	2	1										0	
Lot X	06	M	20	0	20																1	3	1	2	2	1	1	2	2	5	

[illegible]

FY 2003 PRESIDENT'S BUDGET PRODUCTION SCHEDULE, P-21														DATE FEBRUARY 2002																											
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft														Weapon System V-22							P-1 ITEM NOMENCLATURE LI 5/V-22																				
						Production Rate					Procurement Leadtimes																														
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total		Unit of Measure																		
Engine		Allison Engine Co. Indianapolis, IN						88	5			2			28			16			18		Each																		
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2001																	FISCAL YEAR 2002																	B A L
							2000			CALENDAR YEAR 2001														2001			CALENDAR YEAR 2002														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P											
Lot III		99	M	14	6	8	2		2	2	2																			0											
Lot IV		00	M	22	0	22							2		2	2	2	2	2	2	2	2	2	2						0											
Lot V		01	M	18	0	18																		2	2	2	2		2	8											
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2003																	FISCAL YEAR 2004																	B A L
							2002			CALENDAR YEAR 2003														2003			CALENDAR YEAR 2004														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P											
Lot V		01	M	18	10	8	2	2	2	2																				0											
Lot VI		02	M	18*	0	18							2		2	2	2		2	2	2	2	2						0												
Lot VII		03	M	22	0	22																		2	2	2	2	2	2	10											

*22 Engines procured/delivered under Lot V for Lot VI.

FY 2003 PRESIDENT'S BUDGET PRODUCTION SCHEDULE, P-21														DATE FEBRUARY 2002																				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft														Weapon System V-22					P-1 ITEM NOMENCLATURE LI 5/V-22															
						Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1		ALT After Oct 1		Initial Mfg PLT		Reorder Mfg PLT		Total	Unit of Measure																
Engine	Allison Engine Co. Indianapolis, IN							88	5		2		28		16		18	Each																
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005														FISCAL YEAR 2006														B A L
						2004			CALENDAR YEAR 2005											2005			CALENDAR YEAR 2006											
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
Lot VII	03	M	22	12	10		2	2	2	2	2																0							
Lot VIII	04	M	26	0	26							2		2	2	2	2	2	2	4	4	2					0							
Lot IX	05	M	30	0	30																	2	2	4		4	2	16						
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007														FISCAL YEAR 2008														B A L
						2006			CALENDAR YEAR 2007											2007			CALENDAR YEAR 2008											
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
Lot IX	05	M	30	14	16	2	4	2	2	4	2																0							
Lot X	06	M	40	0	40							2	6	2	4	4	2	2	4	4	2						0							
Lot XI	07	M	54	0	54																	4	4	4	6	2	4	30						

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study

APPROPRIATION/BUDGET ACTIVITY

DATE:

FY 2003 PRESIDENT'S BUDGET PRODUCTION SCHEDULE, P-20

FEBRUARY 2002

P-1 ITEM NOMENCLATURE

Admin Leadtime (after Oct 1):

Prod Leadtime :

LI 5/V-22

4 Months

35 Months

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	9	9	11	13	15	20	27
Unit Cost	\$112.360	\$98.248	\$120.000	\$94.148	\$83.107	\$81.217	\$80.581
Total Cost	\$1,011.239	\$0.000	\$1,320.000	\$1,223.924	\$1,246.605	\$1,624.340	\$2,175.687
Asset Dynamics							
Beginning Asset Position	9	16	25	35	42	51	60
Deliveries from all prior year funding	8	9	3				
Deliveries from FY 2001 funding			7	2			
Deliveries from FY 2002 funding				6	3		
Deliveries from FY 2003 funding					8	3	
Deliveries from subsequent years' funding						9	15
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.	-1			-1	-2	-3	-3
End of Year Asset Position	16	25	35	42	51	60	72
Inventory Objective or Current Authorized Allowance	10	19	29	40	51	62	78

Aircraft: V-22
 TOAI: 408
 PAA: 364
 TAI 381

Attrition Res:
 BAI
 Inactive Inv:
 Storage:

Remarks:

UNCLASSIFIED

CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40								DATE: FEBRUARY 2002			
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						P-1 ITEM NOMENCLATURE LI5/V-22 Advance Procurement					
Program Element for Code B Items: 0604262N						Other Related Program Elements 1110011f/Proj 643752, 1160404BBB/Proj 643752					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
COST	\$273.662	B	\$71.150	\$36.428	\$60.298	\$72.538	\$88.250	\$99.585	\$126.619	\$1,177.860	\$2,006.390
<p><u>MISSION AND DESCRIPTION:</u> The V-22 is a tilt-rotor, vertical takeoff and landing aircraft being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the world.</p> <p><u>BASIS FOR FY 2003 BUDGET REQUEST:</u> Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule.</p>											

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: February 2002						
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Tilt-Rotor Aircraft (BA-1)						P-1 Line Item Nomenclature LI 5/V-22 Advance Procurement						
Weapon System V-22						Interval Between Systems 1 Month						
(\$ in Millions)												
	BY1 PLT	When Rqd	Prior Years	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	To Complete	Total
End Item Qty			30	9	9	11	13	15	20	27	274	408
CFE - Airframe TL	35	Jan	193.558	70.936	36.231	60.066	72.252	87.892	99.102	126.082	1,172.730	1,918.849
GFE - Engine			8.281									8.281
EOQ												
GFE - Other *	Var	Var	71.823	0.214	0.197	0.232	0.286	0.358	0.483	0.537	5.130	79.260
Total AP			273.662	71.150	36.428	60.298	72.538	88.250	99.585	126.619	1,177.860	2,006.390
Description:												
Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule.												
FY00 Advance Procurement funded long lead for 16 aircraft. A FY00 aircraft quantity reduction resulted in FY00 advance procurement funding being applied to FY01 and FY02.												
*Includes ADF Antenna, AN/APN-194 RADALT Antenna, AN/ARN-147 Antenna, and External Power Monitor (Leadtime is 27-32 Months)												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2002		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Tilt-Rotor Aircraft (BA-1)					Weapon System V-22		P-1 Line Item Nomenclature LI 5/ V-22 Advance Procurement		
(TOA, \$ in Millions)									
	FY 2002 PLT	QPA	FY2002 UNIT COST	FY 2002 For FY 2003 Qty	FY 2002 Contract Forecast Date	FY 2002 Total Cost Request	FY 2003 For FY 2004 Qty	FY2003 Contract Forecast Date	FY2003 Total Cost Request
End Item									
Airframe: TL	35		TL for 11	11	Feb-02	36.2	TL for 13	Dec-02	60.1
GFE *	27-32		Various	Various	Various	0.2	Various	Various	0.2
Total Advance Proc						36.4			60.3
Description: Advance Procurement for BB termination liability required to procure long lead parts and material necessary to build component systems for the V-22 aircraft. GFE is fully funded. FY00 Advance Procurement funded long lead for 16 aircraft. A FY00 aircraft quantity reduction resulted in FY00 advance procurement funding being applied to FY01 and FY02.									

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET P-40											DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy Budget Activity 1							P-1 ITEM NOMENCLATURE AH-1W SEA COBRA					
Program Element for Code B Items:							Other Related Program Elements					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program	
QUANTITY	258	A									258	
Net P-1 Cost (\$M)	1,494.241		2.429	1.365							1,498.035	
Advance Proc (\$M)	48.974										48.974	
Wpn Sys Cost (\$M)	1,543.214		2.429	1.365							1,547.008	
Initial Spares (\$M)	100.462										100.462	
Proc Cost (\$M)	1,643.676		2.429	1.365							1,647.470	
Unit Cost (\$M)	6.000										6.000	

Description:

MISSION: THE AH-1W IS A HELICOPTER GUNSHIP WHOSE MISSION IS THE ENROUTE ESCORT AND PROTECTION OF TROOP ASSAULT HELICOPTERS, LANDING ZONE PREPARATION IMMEDIATELY PRIOR TO THE ARRIVAL OF ASSAULT HELICOPTERS, LANDING ZONE FIRE SUPPRESSION DURING THE ASSAULT PHASE, AND FIRE SUPPORT DURING GROUND ESCORT OPERATIONS. THE AH-1W HAS ADDITIONALLY BEEN TASKED WITH THE MISSION OF ENEMY ARMOR DESTRUCTION, WHICH REQUIRES OPERATIONS BOTH AT SEA LEVEL AND IN HIGH/HOT ENVIRONMENTS. THIS MISSION HAS REQUIRED THE INCORPORATION OF THE HELLFIRE MISSILE SYSTEM PLUS THE INCORPORATION OF THE IMPROVED T700-GE-401 ENGINES.

DESCRIPTION: THE AH-1W IS A TANDEM SEAT, TWO PLACE (PILOT AND GUNNER/CO-PILOT) ATTACK HELICOPTER DESIGNED AND BUILT TO PROVIDE HIGH SPEED AND MANEUVERABILITY REQUIRED BY THE ATTACK MISSION. THE ARMAMENT OF THE AH-1W INCLUDES THE SIDEWINDER, TOW AND THE HELLFIRE MISSILE SYSTEMS, A CHIN-MOUNTED 20 MM TURRET GUN, AND WIDE VARIETY OF FORWARD FIRING AND DROPABLE EXTERNAL STORES. NIGHT TARGETING SYSTEM (NTS) PROVIDES A NIGHT/ADVERSE WEATHER TOW AND AUTONOMOUS HELLFIRE CAPABILITY. NTS ALSO PROVIDES ENHANCED CONVENTIONAL WEAPONS DELIVERY BY UTILIZING THE SYSTEMS LASER RANGING SYSTEM.

BASIS FOR REQUEST: NOT APPLICABLE

totals may not add due to rounding

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: AH-1W SEA COBRA

\$ in thousands

				FY 2001 Qty:		FY 2002 Qty:		FY 2003 Qty:	
		Prior Years <u>Total Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1	Airframe CFE	822,293.792							
2	CFE Electronics								
3	GFE Electronics	39,388.071							
4	Engines/Eng Acc	152,604.763							
5	Armament	130,653.772							
6	Other GFE	13,683.912							
7	Rec Flyaway ECO	5,650.597							
8	Rec Flyaway Cost	1,164,274.907							
9	Non-Recur Cost	57,550.438			1,155.000		580.000		
10	Ancillary Equip								
11									
12	Total Flyaway	1,221,825.345			1,155.000		580.000		
13	Airframe PGSE	55,993.114							
14	Engine PGSE	4,933.105							
15	Avionics PGSE	17,938.313							
16	Pec Trng Eq	85,699.255							
17	Pub/Tech Eq	34,578.303							
18	Fac Mgmt/Fld Act	61,516.303			1,274.000		785.000		
19	ILS/Rel Dem	15,895.596							
20	Other	44,835.045							
21	Support Cost	321,389.034			1,274.000		785.000		
22	Gross P-1 Cost	1,543,214.379			2,429.000		1,365.000		
23	Adv Proc Credit	(48,973.769)			0		0		
24	Net P-1 Cost	1,494,240.610			2,429.000		1,365.000		
25	Adv Proc CY	48,973.769			0		0		
26	Weapon System Cost	1,543,214.379			2,429.000		1,365.000		
27	Initial Spares	100,462.030			0		0		
28	Procurement Cost	1,643,676.409			2,429.000		1,365.000		

P-1 SHOPPING LIST

ITEM NO

6

PAGE NO

2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: AH-1W SEA COBRA

\$ in thousands

	FY 2004 Qty:	FY 2005 Qty:	FY 2006 Qty:	FY 2007 Qty:	To Complete Cost	TOTAL COST
	<u>Unit Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	
1 Airframe CFE						822,293.792
2 CFE Electronics						0
3 GFE Electronics						39,388.071
4 Engines/Eng Acc						152,604.763
5 Armament						130,653.772
6 Other GFE						13,683.912
7 Rec Flyaway ECO						5,650.597
8 Rec Flyaway Cost						1,164,274.907
9 Non-Recur Cost						59,285.438
10 Ancillary Equip						0
11						
12 Total Flyaway						1,223,560.345
13 Airframe PGSE						55,993.114
14 Engine PGSE						4,933.105
15 Avionics PGSE						17,938.313
16 Pec Trng Eq						85,699.255
17 Pub/Tech Eq						34,578.303
18 Fac Mgmt/Fld Act						63,575.303
19 ILS/Rel Dem						15,895.596
20 Other						44,835.045
21 Support Cost						323,448.034
22 Gross P-1 Cost						1,547,008.379
23 Adv Proc Credit						(48,973.769)
24 Net P-1 Cost						1,498,034.610
25 Adv Proc CY						48,973.769
26 Weapon System Cost						1,547,008.379
27 Initial Spares						100,462.030
28 Procurement Cost						1,647,470.409

P-1 SHOPPING LIST

ITEM NO

PAGE NO

6

3

CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA-1)						P-1 ITEM NOMENCLATURE LI 7/UH-1Y/AH-1Z (4BN/4BW)					
Program Element for Code B Items: PE 0604245N						Other Related Program Elements					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY		B				9	11	22	28	210	280
Net P-1 Cost (\$M)		B	5.987			282.824	254.568	416.022	465.283	3,253.038	4,677.722
Advance Proc (\$M)		B									
Wpn Sys Cost (\$M)		B	5.987			282.824	254.568	416.022	465.283	3,253.038	4,677.722
Initial Spares (\$M)		B				43.282	80.053	166.830	142.053		432.218
Proc Cost (\$M)		B	5.987			326.106	334.621	582.852	607.336	3,253.038	5,109.940
Unit Cost (\$M)		B				36.234	30.420	26.493	21.691	15.491	18.250

Description:

Mission Description: The mission of the AH-1Z attack helicopter is to provide rotary wing close air support, anti-armor, armed escort, armed/visual reconnaissance, anti-helicopter and point air defense and fire support coordination during day/night conditions. The mission of the UH-1Y utility helicopter is to provide command and control and combat assault support during day/night and reduced weather conditions. The USMC H-1 Upgrades program is a recapitalization effort that converts 180 AH-1Ws and 100 UH-1Ns into AH-1Zs and UH-1Ys, respectively. Major modifications include: a new 4-bladed rotor system with semiautomatic blade fold of the new composite rotor blades, new performance matched transmissions, a new 4-bladed tail rotor and drive system, upgraded landing gear, and pylon structural modifications. Both aircraft will also incorporate common, modernized and fully integrated cockpits/avionics that will reduce operator work load and improve situational awareness and safety. The H-1 Upgrades aircraft will have increased maneuverability, speed, and payload capability. Additionally, the AH-1Z will upgrade the current Night Targeting FLIR system to a 3rd generation, staring, focal plane array FLIR that will significantly extend autonomous weapons engagement ranges.

Basis for Request: No funds are requested in FY2003.

AIRCRAFT COST ANALYSIS P-5 Cost Sheet

Date: February 2002

Aircraft model: AH-1Z/UH-1Y

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 2001 Qty:		FY 2002 Qty:		FY 2003 Qty:	
		<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1 Airframe/CFE		-	-	-	-	-	-
2 Engine/Accessory				-	-	-	-
3 CFE Mission Elec				-	-	-	-
4 GFE Electronics				-	-	-	-
5 Armament				-	-	-	-
6 Other GFE				-	-	-	-
7 Rec Flyaway ECO				-	-	-	-
8 Rec Flyaway Cost				-	-	-	-
9 Non-Recurring				-	-	-	-
10 Ancillary Equipment					-		-
11							
12 Total Flyaway				-	-	-	-
13 Support Equipment					-		-
14 Pec Trng Equip					-		-
15 Pubs/Tech Data					-		-
16 Other ILS					-		-
17 Production Support					-		-
18 Reclamation			5,986.969		-		-
19							
20							
21 Support Costs			5,986.969		-		-
22 Gross P-1			5,986.969		-		-
23 Adv Proc Credit					-		-
24 Net P-1 Cost			5,986.969		-		-
25 Adv Proc CY			-		-		-
26 Weapon System Co			5,986.969		-		-
27 Initial Spares					-		-
28 Procurement Cost			5,986.969	-	-	-	-

P-1 SHOPPING LIST

ITEM NO 7

PAGE NO

2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: AH-1Z/UH-1Y

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
	Qty: 9		Qty: 11		Qty: 22		Qty: 28			
	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>		
1 Airframe/CFE	17,057.798	153,520.183	13,209.501	145,304.516	11,286.306	248,298.733	10,558.357	295,634.001	2,053,472.232	2,896,229.666
2 Engine/Accessory	988.670	8,898.029	932.615	10,258.765	848.035	18,656.774	960.945	26,906.466	214,404.121	279,124.154
3 CFE Mission Elec	997.796	8,980.166	-	-	-	-	-	-	-	8,980.166
4 GFE Electronics	925.682	8,331.138	1,284.408	14,128.484	1,296.512	28,523.256	1,287.485	36,049.572	263,005.349	350,037.800
5 Armament	56.624	509.619	1,150.540	12,655.935	1,306.949	28,752.874	1,147.861	32,140.109	238,761.174	312,819.712
6 Other GFE	1,114.640	10,031.759	505.924	5,565.162	528.700	11,631.398	526.290	14,736.113	116,617.151	158,581.584
7 Rec Flyaway ECO	426.945	3,842.509	244.917	2,694.090	225.726	4,965.975	211.167	5,912.680	39,015.972	56,431.226
8 Rec Flyaway Cost	21,568.156	194,113.404	17,327.905	190,606.954	15,492.228	340,829.010	14,692.105	411,378.941	2,925,275.999	4,062,204.307
9 Non-Recurring	1,369.697	12,327.276	377.244	4,149.681	-	-	-	-	-	16,476.957
10 Ancillary Equipment		-		-		-		-		
11										
12 Total Flyaway	22,937.853	206,440.680	17,705.149	194,756.635	15,492.228	340,829.010	14,692.105	411,378.941	2,925,275.999	4,078,681.265
13 Support Equipment		7,263.384		8,842.869		10,219.233		10,331.393	79,350.565	116,007.444
14 Pec Trng Equip		28,879.758		19,576.249		24,764.021		6,089.536	91,172.231	170,481.795
15 Pubs/Tech Data		10,302.092		8,632.610		15,098.271		11,364.762	20,386.766	65,784.501
16 Other ILS		11,358.356		2,972.128		1,504.725		1,729.272	11,671.621	29,236.101
17 Production Support		18,580.175		19,787.978		23,606.832		24,389.390	125,180.626	211,545.002
18 Reclamation		-		-		-		-	-	5,986.969
19										
20										
21 Support Costs		76,383.765		59,811.834		75,193.083		53,904.353	327,761.810	599,041.813
22 Gross P-1		282,824.444		254,568.469		416,022.093		465,283.294	3,253,037.809	4,677,723.078
23 Adv Proc Credit		-		-		-		-	-	-
24 Net P-1 Cost		282,824.444		254,568.469		416,022.093		465,283.294	3,253,037.809	4,677,723.078
25 Adv Proc CY		-		-		-		-	-	-
26 Weapon System Cost		282,824.444		254,568.469		416,022.093		465,283.294	3,253,037.809	4,677,723.078
27 Initial Spares		43,282.000		80,053.000		166,830.000		142,053.000	-	432,218.000
28 Procurement Cost	36,234.049	326,106.444	30,420.134	334,621.469	26,493.277	582,852.093	21,690.582	607,336.294	3,253,037.809	5,109,941.078

P-1 SHOPPING LIST

ITEM NO 7

PAGE NO

3

Exhibit P-21 Production Schedule

CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)						P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)					
Program Element for Code B Items: 0204453N						Other Related Program Elements N/A					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	22	A	15	13	15	13	22	26	27	84	237
Net P-1 Cost (\$M)	417.996	A	213.134	189.819	284.155	266.557	330.996	429.336	470.620	1,325.682	3,928.295
Advance Proc (\$M)	101.828	A	70.687	64.212	88.000	117.600	115.000	122.400	124.848	281.348	1,085.923
Wpn Sys Cost (\$M)	519.824	A	283.821	254.031	372.155	384.157	445.996	551.736	595.468	1,607.030	5,014.218
Initial Spares (\$M)	9.095	A	43.993	19.280	0	23.604	0.549	0.533	0.561	0	97.615
Proc Cost (\$M)	528.919	A	327.814	273.311	372.155	407.761	446.545	552.269	596.029	1,607.030	5,111.833
Unit Cost (\$M)	24.042	A	21.854	21.024	24.810	31.366	20.298	21.241	22.075	19.131	21.569

Mission & Description:
 The Helicopter Combat Support (HC) mission is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD); airhead operations, and day/night search and rescue (SAR). Organic Airborne Mine Countermeasures (OAMCM) has been added as a primary mission for the MH-60S. The purpose of the OAMCM program is to ensure integration of five separate sensors into the MH-60S helicopter. The AMCM mission will provide Carrier Battle Groups (CVBGs) and Amphibious Readiness Groups (ASGs) with an OAMCM capability. The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and EOD support.

Basis for Request:
 FY03 funds the procurement of 15 MH-60S aircraft. This is the second year of an approved 5 year joint service multiyear procurement (MYP). Increase in FY-03 Ancillary Equipment reflects the addition of AMCM Mission Kits consisting of Tactical Common Data Link (TCDL) "B" kit, Carriage Stream Tow Recovery System (CSTRS), and console. The AMCM Mission Kit funding was realigned from Other Procurement, Navy (OPN) to Aircraft Procurement, Navy (APN) funds.

Note: FY 2001 and prior years were executed in Aircraft Procurement, Navy, Budget Activity 2, Airlift Aircraft, P-1 line items 14 & 15.

Note: Totals may be off due to rounding.

AIRCRAFT COST ANALYSIS

Aircraft Model: MH-60S VERTREP

Date: February 2002

P-5 Cost Sheet \$ in thousands

ITEM	Prior Years		FY2001		FY 2002		FY 2003	
	Qty 22		Qty:	15	Qty:	13	Qty:	15
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>
1. AIRFRAME/CFE	257,981.928	11,252.884	168,793.262	11,714.810	152,292.534	11,798.363	176,975.445	
2. ENGINE/ACCESSORIES	30,454.998	1,453.839	21,807.582	1,522.027	19,786.356	1,547.747	23,216.202	
3. CFE ELECTRONICS								
4. GFE ELECTRONICS	58,024.808	2,483.550	37,253.255	2,521.643	32,781.358	2,564.254	38,463.810	
5. ARMAMENT								
6. OTHER GFE	1,544.088	271.316	4,069.746	13.507	175.591	275.023	4,125.340	
GFE SUBTOTAL	90,023.894	4,208.706	63,130.583	4,057.177	52,743.305	4,387.023	65,805.352	
7. REC FLYAWAY ECO		363.929	5,458.935	193.431	2,514.598	327.128	4,906.923	
8. REC FLYAWAY COST	348,005.822	15,825.519	237,382.780	15,965.418	207,550.437	16,512.515	247,687.720	
9. NON-RECURRING	11,268.753						24,334.393	
10. ANCILLARY EQUIPMENT					9,436.183		22,237.907	
11.								
12. TOTAL FLYAWAY COST	359,274.575		237,382.780		216,986.620		294,260.020	
13. AIRFRAME PGSE	7,375.573		8,835.107		6,572.227		10,394.687	
14. ENGINE PGSE	703.072		1,807.075		556.557		785.134	
15. AVIONICS PGSE	4,261.027		6,187.567		4,034.887		8,348.659	
16. PEC TRAINING EQUIP	41,873.028		1,288.023		14,238.971		9,886.228	
17. PUBS/TECH DATA	5,097.933		6,856.502		5,649.000		7,213.000	
18. WEAPON SYSTEM			365.371		668.766		857.779	
19. FIELD ACTIVITIES	17,464.913		17,142.603		9,265.544		10,714.527	
20. ILS/LS/MES	2,233.289		2,078.269		2,533.428		5,906.966	
21. PRODUCTION SUPPORT	5,410.590		2,304.703					
SPARES			5,016.000					
22. SUPPORT COST	84,419.425		51,881.220		43,519.380		54,106.980	
23. GROSS P-1 COST	443,694.000		289,264.000		260,506.000		348,367.000	
24. ADV PROC CREDIT	-25,698.000		-76,130.000		-70,687.000		-64,212.000	
25. NET P-1 COST	417,996.000		213,134.000		189,819.000		284,155.000	
26. ADV PROCUREMENT	101,828.000		70,687.000		64,212.000		88,000.000	
27. WEAPONS SYSTEM	519,824.000		283,821.000		254,031.000		372,155.000	
28. INITIAL SPARES	9,095.000		43,993.000		19,280.000			
29. PROCUREMENT COST	528,919.000		327,814.000		273,311.000		372,155.000	

AIRCRAFT COST ANALYSIS

Aircraft Model: MH-60S VERTREP

Date: February 2002

P-5 Cost Sheet \$ in thousands

ITEM	FY 2004		FY 2005		FY 2006		FY 2007		To	TOTAL A/C
	Qty: 13		Qty: 22		Qty: 26		Qty: 27		Complete	237
	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Cost</u>	<u>TOTAL COST</u>
1. AIRFRAME/CFE	12,218.599	158,841.788	11,422.879	251,303.346	11,330.573	294,594.897	11,432.903	308,688.386	1,017,895.507	2,787,367.093
2. ENGINE/ACCESSORIES	1,576.028	20,488.358	1,605.714	35,325.705	1,636.222	42,541.769	1,667.310	45,017.359	145,841.043	384,479.372
3. CFE ELECTRONICS										
4. GFE ELECTRONICS	2,611.109	33,944.411	2,660.292	58,526.420	2,710.836	70,481.748	2,762.341	74,583.220	241,624.452	645,683.482
5. ARMAMENT										
6. OTHER GFE	280.048	3,640.623	285.323	6,277.105	290.744	7,559.344	296.268	7,999.237	25,914.827	61,305.901
GFE SUBTOTAL	4,467.184	58,073.392	4,551.329	100,129.230	4,637.802	120,582.861	4,725.919	127,599.816	413,380.322	1,091,468.755
7. REC FLYAWAY ECO	205.318	2,669.130	224.433	4,937.527	226.191	5,880.968	232.455	6,276.294	20,169.410	52,813.785
8. REC FLYAWAY COST	16,891.101	219,584.310	16,198.641	356,370.103	16,194.566	421,058.726	16,391.278	442,564.496	1,451,445.239	3,931,649.633
9. NON-RECURRING										35,603.146
10. ANCILLARY EQUIPMENT		45,466.919		46,022.525		83,001.024		122,528.596	133,349.523	462,042.677
11.										
12. TOTAL FLYAWAY COST		265,051.229		402,392.628		504,059.750		565,093.092	1,584,794.762	4,429,295.456
13. AIRFRAME PGSE		9,264.042		7,708.583		6,255.001		2,053.321	8,660.732	67,119.273
14. ENGINE PGSE		628.440		1,116.618		879.322		837.500	586.726	7,900.444
15. AVIONICS PGSE		7,504.065		4,758.432		4,556.385		1,256.112	5,440.088	46,347.222
16. PEC TRAINING EQUIP		49,468.329		11,545.038		5,860.134		2,417.290	8,230.481	144,807.522
17. PUBS/TECH DATA		6,863.500		6,133.349		6,213.351		5,930.550	38,981.946	88,939.131
18. WEAPON SYSTEM		836.967		851.050		866.544		887.167	4,285.010	9,618.654
19. FIELD ACTIVITIES		9,761.594		9,470.808		10,464.652		10,199.577	61,364.676	155,848.894
20. ILS/LS/MES		5,178.834		4,619.494		5,180.861		4,345.391	19,534.011	51,610.543
21. PRODUCTION SUPPORT										7,715.293
SPARES										5,016.000
22. SUPPORT COST		89,505.771		46,203.372		40,276.250		27,926.908	147,083.670	584,922.976
23. GROSS P-1 COST		354,557.000		448,596.000		544,336.000		593,020.000	1,731,878.432	5,014,218.432
24. ADV PROC CREDIT		-88,000.000		-117,600.000		-115,000.000		-122,400.000	-406,195.849	-1,085,922.849
25. NET P-1 COST		266,557.000		330,996.000		429,336.000		470,620.000	1,325,682.583	3,928,295.584
26. ADV PROCUREMENT		117,600.000		115,000.000		122,400.000		124,848.000	281,347.849	1,085,922.849
27. WEAPONS SYSTEM		384,157.000		445,996.000		551,736.000		595,468.000	1,607,030.432	5,014,218.432
28. INITIAL SPARES		23,604.000		549.000		533.000		561.000	0.000	97,615.000
29. PROCUREMENT COST		407,761.000		446,545.000		552,269.000		596,029.000	1,607,030.432	5,111,833.432

CLASSIFICATION: UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System MH-60S VERTREP		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)					C. P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)				SUBHEAD U1VR	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Engine</u>										
FY 01 Reg	30	676	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	4/01	5/01	Yes	N/A
FY 01 AP			ARMY	6/97	SS/FFP	GE, Lynn, Mass.	4/01		Yes	N/A
FY 02 Reg	26	687	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/02	5/02	Yes	N/A
FY 02 AP			ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/02		Yes	N/A
FY 03 Reg	30	699	ARMY	8/01	SS/FFP	GE, Lynn, Mass.	1/03	3/03	Yes	N/A
FY 03 AP			ARMY	8/01	SS/FFP	GE, Lynn, Mass.	1/03		Yes	N/A
<p>D. REMARKS</p> <p>The engines are on an Army contract.</p> <p>Note: The amounts may be off due to rounding.</p>										
<p>DD Form 2446-1, JUL 87 P-1 SHOPPING LIST ITEM NO. 8 PAGE NO. 5 CLASSIFICATION: UNCLASSIFIED</p>										

FY 2003 Department of the Navy Budget Production Schedule, P-21														DATE February 2002																				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)														Weapon System MH-60S VERTREP				P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)																
						Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total		Unit of Measure											
Airframe	Sikorsky Aircraft Div					18	24	60	9			6			18			16			22		E											
	Stratford, CT																																	
ITEM / MANUFACTURER						FISCAL YEAR 2004														FISCAL YEAR 2005														BAL
						CALENDAR YEAR 2004														CALENDAR YEAR 2005														
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP					
Airframe	03	N	15	3	12	2	1	1	1	1	1	1	2	2												0								
Airframe	04	N	13	0	13										1	1	1	1	1	1	1	2	1	1		0								
Airframe	05	N	22	0	22																			2	2	2	16							
ITEM / MANUFACTURER						FISCAL YEAR 2006														FISCAL YEAR 2007														BAL
						CALENDAR YEAR 2006														CALENDAR YEAR 2007														
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP					
Airframe	05	N	22	6	16	2	1	2	2	2	2	1	2	2												0								
Airframe	06	N	26	0	26										2	2	2	2	2	2	3	2	3			0								
Airframe	07	N	27	0	27																			2	2	2	21							
Remarks: This is the Army/Navy Multi-Year proposed contract schedule.																																		

FY 2003 Department of the Navy Budget Production Schedule, P-21													DATE February 2002																		
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)													Weapon System MH-60S VERTREP						P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)												
						Production Rate					Procurement Leadtimes																				
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT		Reorder Mfg PLT		Total		Unit of Measure										
Engines		General Electric Co. Lynn, MA				0	168	960	9			4			14		14		18		E										
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2001												FISCAL YEAR 2002												B A L
							CALENDAR YEAR 2001												CALENDAR YEAR 2002												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Engine	00	N	32	10	22	2	2	2	2	2	2	2	2	2	2											0					
Engine	01	N	30	0	30								2	4	2	2	2	2	4	4	2	2	2	2			0				
Engine	02	N	26	0	26																			2	2	4	4	4	10		
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2003												FISCAL YEAR 2004												B A L
							CALENDAR YEAR 2003												CALENDAR YEAR 2004												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Engine	02	N	26	16	10	2	2	2	2	2																	0				
Engine	03	N	30	0	30						2	2	2	4	2	2	2	2	2	2	4	4					0				
Engine	04	N	26	0	26																2	2	2	2	2	2	2	12			
Remarks: The engines are on an Army contract.																															

FY 2003 Department of the Navy Budget Production Schedule, P-21														DATE February 2002																					
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)											Weapon System MH-60S VERTREP					P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)																			
						Production Rate			Procurement Leadtimes																										
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total		Unit of Measure												
Avionics	Lockheed Martin					18	24	60	9			3			21			14			17		E												
	Owega, NY																																		
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2001														FISCAL YEAR 2002														B A L
							CALENDAR YEAR 2001														CALENDAR YEAR 2002														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
Avionics	00	N	16	5	11	1	1	1	1	1	1	1	1		1	1	1												0						
Avionics	01	N	15	0	15								1	2	1	1	1	1	2	2	1	1	1	1					0						
Avionics	02	N	13	0	13																			1	1	2	2	2	5						
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2003														FISCAL YEAR 2004														B A L
							CALENDAR YEAR 2003														CALENDAR YEAR 2004														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
Avionics	02	N	13	8	5	1	1	1	1	1																			0						
Avionics	03	N	15	0	15						1	1	1	2	1	1	1	1	1	1	2	2							0						
Avionics	04	N	13	0	13																	1	1	1	1	1	1	1	6						
Remarks:																																			

DD Form 2445, JUL 87 Previous editions are obsolete P-1 SHOPPING LIST

311 / 244 ITEM NO. 8 PAGE NO. 11 Exhibit P-21 Production Schedule

CLASSIFICATION: UNCLASSIFIED							
Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)			DATE: February 2002	
P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)		Admin Leadtime (after Oct1): 6 Months			Prod Leadtime : 16 Months		
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	15	13	15	13	22	26	27
Unit Cost	\$21,854	\$21,024	\$24,810	\$31,366	\$20,298	\$21,241	\$22,075
Total Cost	\$ 327,814	\$ 273,311	\$ 372,155	\$ 407,761	\$ 446,545	\$ 552,269	\$ 596,029
Asset Dynamics	0	0	0	0	0	0	0
Beginning Asset Position	6	18	38	53	68	84	106
Deliveries from all prior year funding	12	4	0	0	0	0	0
Deliveries from FY 2001 funding	0	13	2	0	0	0	0
Deliveries from FY 2002funding	0	3	10	0	0	0	0
Deliveries from FY 2003 funding	0	0	3	12	0	0	0
Deliveries from subsequent years' funding	0	0	0	3	16	22	26
Other Gains	0	0	0	0	0	0	0
Combat Losses/Usage	0	0	0	0	0	0	0
Training Losses/Usage	0	0	0	0	0	0	0
Test Losses/Usage	0	0	0	0	0	0	0
Other Losses/Usage	0	0	0	0	0	0	0
Disposals/Retirements/Attritions/etc.	0	0	0	0	0	0	0
End of Year Asset Position	18	38	53	68	84	106	132
Inventory Objective or Current Authorized Allowance	18	38	53	68	84	106	132
Aircraft:	<div style="display: flex;"> <div style="width: 15%; border-right: 1px solid black; padding-right: 5px;"> TOAI: 237 PAA: TAI 218 Attrition Res: 19 BAI Inactive Inv: Storage: </div> <div style="padding-left: 5px;"> Remarks: The amounts may be off due to rounding. </div> </div>						

CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40						DATE: February 2002					
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA 1)						MH-60S Advance Procurement (MYP)					
Program Element for Code B Items: 0204453N						Other Related Program Elements None.					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
COST (In Millions)	\$101.828	B	\$70.687	\$64.212	\$88.000	\$117.600	\$115.000	\$122.400	\$124.848	\$281.348	\$1,085.923

MISSION AND DESCRIPTION: The Helicopter Combat Support (HC) mission is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD); airhead operations, and day/night search and rescue (SAR). Organic Airborne Mine Countermeasures (OAMCM) has been added as a primary mission for the MH-60S. The purpose of the OAMCM program is to ensure integration of five separate sensors into the MH-60S helicopter. The AMCM mission will provide Carrier Battle Groups (CVBGs) and Amphibious Readiness Groups (ASGs) with an OAMCM capability. The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and UDT support.

BASIS FOR FY 2003 BUDGET REQUEST: FY 2003 advance procurement funds are requested for procurement of FY04 long lead engines, common cockpits, misc. other avionics, and termination liability for the airframe in support of the MH-60S portion of a joint Army-Navy 5 year (FY 2002 - FY 2006) Multiyear procurement for the UH-60L Blackhawk and MH-60S Seahawk aircraft.

Note: FY 2001 and prior years were executed in Aircraft Procurement, Navy, Budget Activity 2, Airlift Aircraft. P-1 line item 15.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: February 2002						
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/Combat Aircraft (BA 1)						P-1 Line Item Nomenclature MH-60S Advance Procurement (MYP)						
Weapon System MH-60S VERTREP (MYP)						Interval Between Systems Monthly						
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	To Complete	Total
End Item Qty (in next FY)			37	13	15	13	22	26	27	20	64	237
CFE - Airframe (TL)	18	24	25.014	18.649	22.416	29.927	38.691	37.860	40.270	43.753	93.126	349.706
GFE - Engine/APU	13	4	26.409	19.483	15.479	20.488	29.400	28.750	30.600	29.964	70.056	270.629
GFE - A/C Cockpit	14	4	41.910	26.650	19.261	28.129	36.926	36.110	38.434	37.898	86.374	351.692
GFE - A/C Misc. Avionics	Var	Var	8.495	5.905	7.056	9.456	12.583	12.280	13.097	13.234	31.792	113.898
Total AP			101.828	70.687	64.212	88.000	117.600	115.000	122.400	124.848	281.348	1,085.923
Description:												
Airframes, engines, common cockpit, and misc. other avionics requirements reflect funding requirements for procurement of long lead parts and materials necessary to maintain the MH-60S delivery schedule. CFE - Airframe (TL) is directly related to the end item quantity. GFE - Engine/Cockpit/Avionics is directly related to the number of units delivered in the first 9 months of the aircraft delivery schedule (P-21).												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2002		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/Combat Aircraft (BA 1)					Weapon System MH-60S VERTREP		P-1 Line Item Nomenclature MH-60S Advance Procurement (MYP)		
(TOA, \$ in Millions)									
	PLT	QPA	UNIT COST	FY 2002 For FY 2003 Qty	FY 2002 Contract Forecast Date	FY 2002 Total Cost Request	FY 2003 For FY 2004 Qty	FY 2003 Contract Forecast Date	FY 2003 Total Cost Request
End Item				15			13		
CFE - Airframe (TL)	18	1			Jun-02	22.4		Dec-02	29.9
GFE - Engine/APU	13	2	1.5	20	Jan-02	15.5	26	Jan-03	20.5
GFE - A/C Common Cockpit	14	1	1.9	10	Jan-02	19.3	13	Jan-03	28.1
GFE - A/C Misc. Avionics	Var	Var	Var	Var	Var	7.0	Var	Var	9.5
Total Advance Proc						64.2			88.0
Description: EOQ is not applicable to the VERTREP Program.									

CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1						P-1 ITEM NOMENCLATURE MH-60R					
Program Element for Code B Items: PE 0204243N						Other Related Program Elements P.E. 0604216N Multi Mission Helicopter Upgrade Development					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	7	B	0	0	0	6	10	10	10	198	241
Net P-1 Cost (\$M)	223.328	B	53.676	9.933	86.871	345.042	348.360	360.053	344.777	4,946.688	6,718.728
Advance Proc (\$M)		B			29.341	47.726	48.855	49.680	74.790	972.901	1,223.293
Wpn Sys Cost (\$M)	223.328	B	53.676	9.933	116.212	392.768	397.215	409.733	419.567	5,919.589	7,942.021
Initial Spares (\$M)	12.263	B				59.814	65.018	52.580	52.924	5.600	248.199
Proc Cost (\$M)	235.591	B	53.676	9.933	116.212	452.582	462.233	462.313	472.491	5,925.189	8,190.220
Unit Cost (\$M)	33.656	B				75.430	46.223	46.231	47.249	29.925	33.984

Description:

Mission Description: The MH-60R Multi-Mission Helicopter upgrade provides battle group protection and adds significant capability in coastal littorals and regional conflicts. The MH-60R Multi-Mission Helicopter Upgrade represents a significant avionics modification to the H-60 series helicopters by enhancing primary mission areas of Undersea Warfare (USW) and Surface Warfare (SUW). Airborne Low Frequency Sonar (ALFS) will be added to enhance the existing acoustic suite. An added Multi-Mode Radar (MMR) includes an Inverse Synthetic Aperture Radar Mode (ISAR) (permits stand-off classification of hostile threats). An improved Electronics Surveillance Measures system (ESM) will enable passive detection and targeting of radar sources not currently detectable. FY03 and out reflects a new production procurement strategy.

Basis for Request: This request provides FY03 funding to support the MH-60R program. Efforts include non-recurring, peculiar training equipment and ILS/Field Activity support.

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: MH-60R

\$ in thousands

	Prior Years	FY 2001	FY 2002	FY 2003
		Qty:	Qty:	Qty:
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Total Cost</u>
1 Airframe CFE	160,728.963			
2 Engines/Eng Acc				
3 CFE Electronics				
4 GFE Electronics	11,671.832			
5 Armament				
6 Other GFE				
7 Rec Flyaway ECO	5,052.628			
8 Rec Flyaway Cost	177,453.423			
9 Non-Recur Cost	13,888.441		35,516.000	1,535.879
10 Ancillary Equip	5,900.000		8,000.000	6,528.121
11				
12 Total Flyaway	197,241.864		43,516.000	8,064.000
13 Airframe PGSE				
14 Engine PGSE				
15 Avionics PGSE	3,708.978			1,448.743
16 Pec Trng Eq	1,440.783			37,097.578
17 Pubs/Tech Data				1,892.054
18 Weapons System	6,737.759			
19 Field Activities	9,488.289		10,160.000	1,869.000
20 ILS/LSA/MES	4,710.327			5,857.017
21				6,940.608
22 Support Cost	26,086.136		10,160.000	1,869.000
23 Gross P-1 Cost	223,328.000		53,676.000	9,933.000
24 Adv Proc Credit				86,871.000
25 Net P-1 Cost	223,328.000		53,676.000	9,933.000
26 Adv Proc CY				86,871.000
27 Weapon System Cost	223,328.000		53,676.000	9,933.000
28 Initial Spares	12,263.000			29,341.184
29 Procurement Cost	235,591.000		53,676.000	9,933.000
				116,212.184

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: MH-60R

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete	Summary
	Qty: 6		Qty: 10		Qty: 10		Qty: 10		198	TOTAL A/C 241
	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	TOTAL COST
1 Airframe CFE	29,669.918	178,019.508	24,942.942	249,429.425	25,087.109	250,871.089	24,877.517	248,775.174	4,463,255.394	5,551,079.553
2 Engines/Eng Acc	1,423.082	8,538.495	1,449.888	14,498.880	1,477.435	14,774.354	1,505.506	15,055.062	326,472.610	379,339.401
3 CFE Electronics										
4 GFE Electronics	1,427.943	8,567.657	1,454.840	14,548.398	1,482.481	14,824.813	1,510.648	15,106.479	327,587.610	392,306.789
5 Armament										
6 Other GFE										
7 Rec Flyaway ECO	2,373.593	14,241.561	1,496.577	14,965.766	1,505.226	15,052.265	995.101	9,951.007	89,265.108	148,528.335
8 Rec Flyaway Cost	34,894.537	209,367.221	29,344.247	293,442.469	29,552.252	295,522.521	28,888.772	288,887.722	5,206,580.722	6,471,254.078
9 Non-Recur Cost		52,839.854								137,415.174
10 Ancillary Equip	1,961.309	11,767.855	1,681.575	16,815.746	2,202.867	22,028.667	2,248.583	22,485.831	402,108.550	495,634.770
11										
12 Total Flyaway	45,662.488	273,974.930	31,025.822	310,258.215	31,755.119	317,551.188	31,137.355	311,373.553	5,608,689.272	7,104,304.022
13 Airframe PGSE										
14 Engine PGSE										
15 Avionics PGSE		17,477.432		36,190.396		36,393.663		35,893.208	50,489.018	181,601.438
16 Pec Trng Eq		56,295.178		24,169.047		27,057.254		19,941.540	117,968.133	283,969.513
17 Pubs/Tech Data		6,500.753		4,430.078		6,067.139		6,618.585	19,902.929	45,411.538
18 Weapons System		1,065.697		1,092.808		1,110.083		1,145.577	11,968.650	23,120.574
19 Field Activities		11,914.314		12,095.610		12,000.539		12,131.419	143,807.310	219,323.498
20 ILS/LSA/MES		7,154.493		7,850.016		8,727.842		7,353.340	41,553.014	84,289.640
21										
22 Support Cost		100,407.867		85,827.955		91,356.520		83,083.669	385,689.054	837,716.201
23 Gross P-1 Cost		374,382.797		396,086.170		408,907.708		394,457.222	5,994,378.326	7,942,020.223
24 Adv Proc Credit		-29,341.184		-47,726.491		-48,855.000		-49,679.849	-1,047,690.670	-1,223,293.194
25 Net P-1 Cost		345,041.613		348,359.679		360,052.708		344,777.373	4,946,687.656	6,718,727.029
26 Adv Proc CY		47,726.491		48,855.000		49,679.849		74,789.570	972,901.100	1,223,293.194
27 Weapon System Cost		392,768.104		397,214.679		409,732.557		419,566.943	5,919,588.756	7,942,020.223
28 Initial Spares		59,814.000		65,018.000		52,580.000		52,924.000	5,600.000	248,199.000
29 Procurement Cost		452,582.104		462,232.679		462,312.557		472,490.943	5,925,188.756	8,190,219.223

P-1 SHOPPING LIST

ITEM NO 10

PAGE NO 3

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System MH-60R		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1					C. P-1 ITEM NOMENCLATURE MH-60R				SUBHEAD U1SH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
Advance Procurement/FY03			NAVAIR	JUN 02	SS/AAC SS/AAC	Lockheed Martin-Avionics Sikorsky-Air Vehicle	DEC 02		YES	N/A
D. REMARKS										

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 2002																	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA1						Weapon System						P-1 ITEM NOMENCLATURE MH-60R											
						Production Rate			Procurement Leadtimes														
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure									
Airframe/Avionics (Reman.)	Sikorsky Aircft, Stratford CT					6	30	30	12	3	23	31	34	E									
	Lockheed Martin,Owego NY																						

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						2001			CALENDAR YEAR 2002									CALENDAR YEAR 2003												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe/Avionics (Reman.)	00	N	7	0	7				1	1																		0		

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L	
						2003			CALENDAR YEAR 2004									CALENDAR YEAR 2005													
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P		
Airframe/Avionics (Build new)	04	N	6	0	6																							1		1	4

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 2002															
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA1						Weapon System						P-1 ITEM NOMENCLATURE MH-60R									
						Production Rate			Procurement Leadtimes												
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure							
Airframe/Avionics (Reman.)	Sikorsky Aircft, Stratford CT					6	30	30	12	3	23	31	34	E							
	Lockheed Martin,Owego NY																				

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						2005			CALENDAR YEAR 2006									CALENDAR YEAR 2007												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe/Avionics (Build new)	04	N	6	2	4		1		1		1																	0		
Airframe/Avionics (Build new)	05	N	10	0	10									1		1	1		1	1	1	1	1	1				0		
Airframe/Avionics (Build new)	06	N	10	0	10																				1	1	8			

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2008												FISCAL YEAR 2009												B A L
						2007			CALENDAR YEAR 2008									CALENDAR YEAR 2009												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe/Avionics (Build new)	06	N	10	2	8		1	1	1	1	1	1	1		1													0		
Airframe/Avionics (Build new)	07	N	10	0	10											1	1		1	1	1	1	1	1		1		0		

CLASSIFICATION:

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Exhibit P-20, Requirements Study				APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1				DATE: February 2002		
P-1 ITEM NOMENCLATURE MH-60R				Admin Leadtime (after Oct1): 3 Months			Prod Leadtime : 23 Months			
			FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	
Buy Summary			0	0	0	6	10	10	10	
Unit Cost						75.430	46.223	46.231	47.249	
Total Cost			53.676	9.933	116.212	452.582	462.233	462.313	472.491	
Asset Dynamics			0	0	0	0	0	0	0	
Beginning Asset Position			0	0	3	7	7	9	15	
Deliveries from all prior year funding			0	3	4	0	0	0	0	
Deliveries from FY 2001 funding			0	0	0	0	0	0	0	
Deliveries from FY 2002 funding			0	0	0	0	0	0	0	
Deliveries from FY 2003 funding			0	0	0	0	0	0	0	
Deliveries from subsequent years' funding			0	0	0	0	2	6	10	
Other Gains										
Combat Losses/Usage										
Training Losses/Usage										
Test Losses/Usage										
Other Losses/Usage										
Disposals/Retirements/Attritions/etc.										
End of Year Asset Position				3	7	7	9	15	25	
Inventory Objective or Current Authorized Allowance				3	7	7	9	15	25	
Aircraft: TOAI: 243		Remarks: Amounts may be off due to rounding TOAI includes 2 RDT&E,N funded Test Articles								
PAA:										
TAI 241										
Attrition Res:										
BAI										
Inactive Inv:										
Storage:										

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BUDGET ITEM JUSTIFICATION SHEET P-40							DATE: February 2002				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/(BA-1)						P-1 ITEM NOMENCLATURE MH-60R Advance Procurement					
Program Element for Code B Items: PE 0204243N						Other Related Program Elements P.E. 0604216N Multi Mission Helicopter Upgrade Development					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
COST (In Millions)		B			\$29.341	\$47.726	\$48.855	\$49.680	\$74.790	\$972.901	\$1,223.293
<p><u>MISSION AND DESCRIPTION:</u> The MH-60R Multi-Mission helicopter upgrade provides battle group protection and adds significant capability in coastal littorals and regional conflicts. The MH-60R Multi-Mission Helicopter Upgrade represents a significant avionics modification to the H-60 series helicopters by enhancing primary mission areas of Undersea Warfare (USW) and Surface Warfare (SUW). Airborne Low Frequency Sonar (ALFS) will be added to enhance the existing acoustic suite. An added Multi-Mode Radar (MMR) includes an Inverse Synthetic Aperture Radar (ISAR) mode (permits stand-off classification of hostile threats). An improved Electronics Surveillance Measures system (ESM) will enable passive detection and targeting of radar sources not currently detectable. FY01 and FY02 reflect remanufacture of MH-60R. FY03 and out reflects a new production procurement strategy.</p> <p><u>BASIS FOR BUDGET REQUEST:</u> FY 2003 advance procurement funds are requested for procurement of FY 2004 long lead items. This covers Airframe Contractor Furnished Equipment (CFE) Termination Liability (TL) and long lead items for miscellaneous Avionics Government Furnished Equipment (GFE).</p> <p style="margin-top: 100px;">Note: Amounts may be off due to rounding.</p>											

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)					Date: February 2002							
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/BA-1					P-1 Line Item Nomenclature MH-60R Advance Procurement							
Weapon System			First System (BY1) Award Date				Interval Between Systems					
MH-60R			FY03 for FY04 Production: 12/02				Monthly					
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	To Complete	Total
End Item Qty			7				6	10	10	10	198	241
CFE - Airframe T.L.	30					24.261	39.081	40.028	40.668	60.988	789.395	994.421
GFE Misc. Avionics	var					5.080	8.645	8.827	9.012	13.802	183.506	228.872
Other												
Total AP						29.341	47.726	48.855	49.680	74.790	972.901	1,223.293
Description: Airframe Contractor Furnished Equipment (CFE) Termination Liability (TL) and long lead items for miscellaneous avionics Government Furnished Equipment (GFE) reflect funding requirements to maintain the MH-60R delivery schedule.												

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BUDGET ITEM JUSTIFICATION SHEET											DATE: Feb 2002	
P-40												
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft					P-1 ITEM NOMENCLATURE E-2C (MYP)							
Program Element for Code B Items:					Other Related Program Elements							
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program	
QUANTITY	21	A	5	5	5	2	3	4	4	58	107	
Net P-1 Cost (\$M)	1,396.775		246.772	239.025	267.851	220.360	278.571	374.242	350.606	5,987.170	9,361.372	
Advance Proc (\$M)	522.797		65.603	36.191	27.600	32.500	46.300	47.300	48.300	789.268	1,615.859	
Wpn Sys Cost (\$M)	1,919.572		312.375	275.216	295.451	252.860	324.871	421.542	398.906	6,776.439	10,977.232	
Initial Spares (\$M) *	42.516		21.733	26.733	4.082	13.040	7.313	2.071	5.750	216.927	340.165	
Proc Cost (\$M)	1,962.088		334.108	301.949	299.533	265.900	332.184	423.613	404.656	6,993.366	11,317.397	
Unit Cost (\$M)	93.433		66.822	60.390	59.907	132.950	110.728	105.903	101.164	120.575	105.770	
Defense Emergency Response Fund (non-add)					21.514							
<p><u>Description:</u></p> <p>The E-2C Hawkeye is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the Hawkeye provides strike control, radar surveillance, search and rescue assistance, communications relay and automatic tactical data exchange.</p> <p><u>Basis for Request:</u></p> <p>The FY2003 budget funds procurement of five (5) aircraft and support. It is part of a multiyear procurement (MYP) of 21 airframes and 42 engines starting in FY99 and ending in FY03 which is fully funded in each year under a single five year firm fixed price contract.</p> <p><u>Note:</u></p> <p>The E-2C program received \$21.5M for engine spares as part of the Defense Emergency Response Funding (DERF) which is not shown in the FY 2002 initial spares numbers.</p>												

ITEM	PRIOR YEARS	MULTIYEAR FY01	MULTIYEAR 5	MULTIYEAR FY02	MULTIYEAR 5	MULTIYEAR FY03	MULTIYEAR 5	FY04	2
	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1. Airframe/CFE	789,785.084	36,676.464	183,382.318	37,370.228	186,851.139	37,720.541	188,602.704	64,959.522	129,919.045
2. CFE Mission Electronics	450,147.904	17,796.081	88,980.406	18,132.708	90,663.541	18,302.686	91,513.431	17,152.112	34,304.225
3. GFE Electronics	60,910.555	6,884.726	34,423.629	10,905.179	54,525.897	10,892.640	54,463.200	8,161.414	16,322.828
4. Engines/Access	123,858.788	5,081.798	25,408.989	5,273.434	26,367.172	5,295.141	26,475.705	8,049.959	16,099.918
5. Armanent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
6. Other GFE	5,516.070	370.530	1,852.651	377.277	1,886.384	381.490	1,907.448	387.876	775.751
Subtotal GFE	190,285.414	12,337.054	61,685.269	16,555.891	82,779.453	16,569.271	82,846.353	16,599.249	33,198.497
7. Rec Flyaway ECO	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
8. Recurr Flyaway Cost	1,430,218.402	66,809.599	334,047.993	72,058.827	360,294.133	72,592.498	362,962.488	98,710.884	197,421.767
9. Nonrecurring Cost	33,368.145		5,274.211		0.000		0.000		16,378.761
10. Ancillary Equipment	0.000		0.000		0.000		0.000		0.000
11.	0.000		0.000		0.000		0.000		0.000
12. Total Flyaway Cost	1,463,586.547	67,864.441	339,322.204	72,058.827	360,294.133	72,592.498	362,962.488	106,900.264	213,800.528
13. Airframe PGSE	12,720.920		2,326.230		2,320.067		3,154.329		3,211.964
14. Engine PGSE	91.000		0.000		0.000		0.000		0.000
15. Avionics PGSE	2,370.417		198.238		197.713		268.808		0.000
16. Pec Training Equipment	12,357.445		1,315.289		1,311.805		43,907.224		2,312.283
17. Pubs/Tech Data	9,747.745		1,696.209		1,691.715		2,300.031		2,342.057
18. Production Support	101,702.927		13,408.829		13,112.568		22,649.120		26,293.168
19.	0.000		0.000		0.000		0.000		0.000
20.	0.000		0.000		0.000		0.000		0.000
21. Support ECO	0.000		0.000		0.000		0.000		0.000
22. Support COST	138,990.454		18,944.796		18,633.867		72,279.512		34,159.472
23. GROSS P-1 COST	1,602,577.000		358,267.000		378,928.000		435,242.000		247,960.000
24. ADV PROC CREDIT	-205,802.000		-111,495.000		-139,903.000		-167,391.000		-27,600.000
25. NET P-1 COST	1,396,775.000		246,772.000		239,025.000		267,851.000		220,360.000
26. ADV Procurement	522,797.000		65,603.000		36,191.000		27,600.000		32,500.000
27. Weapon System Cost	1,919,572.000		312,375.000		275,216.000		295,451.000		252,860.000
28. Initial Spares *	42,516.000		21,733.000		26,733.000		4,082.000		13,040.000
29. Procurement Cost	1,962,088.000		334,108.000		301,949.000		299,533.000		265,900.000
Defense Emergency Response Fund (non-add)					21,514.000				

Note:

The E-2C program received \$21.5M for engine spares as part of the Defense Emergency Response Funding (DERF) which is not shown in the FY2002 initial spares numbers.

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System E-2C HAWKEYE		A. DATE Feb 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft					C. P-1 ITEM NOMENCLATURE E-2C HAWKEYE (MYP)				SUBHEAD Y1A1	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Airframe</u>										
2001 Regular (Multi Year)	5	54,472.54	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, Fl	Jan 01	Mar 03	Yes	N/A
Advance (EOQ for MYP) (FY 01 for FY 02, 03)		T/L		12/1/1998	AAC/MYP		Jan 01			
2002 Regular (Multi Year)	5	55,502.94	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, Fl	Dec 01	Mar 04	Yes	N/A
Advance (EOQ for MYP) (FY 02 for FY 03)		T/L		12/1/1998	AAC/MYP		Dec 01			
2003 Regular (Multi Year)	5	56,023.23	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, Fl	Dec 02	May 05	Yes	N/A
Advance for FY 04		T/L		TBD	AAC		TBD			
D. REMARKS										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System E-2C HAWKEYE		A. DATE Feb 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft					C. P-1 ITEM NOMENCLATURE E-2C HAWKEYE (MYP)				SUBHEAD Y1A1	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Engines</u>										
2001 Regular	10*	2,100.00	NAVAIR		SS FFP/MYP	Allison Indianapolis, IN	Apr 01	Aug 02	Yes	N/A
Advance (EOQ for MYP) (FY 01 for FY 02, 03)		T/L		2/28/1999	AAC/MYP		Apr 01			
2002 Regular	10*	2,100.00	NAVAIR		SS FFP/MYP	Allison Indianapolis, IN	Dec 01	Aug 03	Yes	N/A
Advance (EOQ for MYP) (FY 02 for FY 03)		T/L		2/28/1999	AAC/MYP		Dec 01			
2003 Regular	10*	2,100.00	NAVAIR		SS FFP/MYP	Allison Indianapolis, IN	Dec 02	Oct 04	Yes	N/A
Advance for FY 04		T/L		TBD	AAC		TBD			
D. REMARKS *Quantity is 2 per aircraft.										

FY03 BUDGET PRODUCTION SCHEDULE, P-21														DATE February 2002																	
APPROPRIATION/BUDGET ACTIVITY										Weapon System				P-1 ITEM NOMENCLATURE																	
Aircraft Procurement, Navy/BA-1, Combat Aircraft										E-2C HAWKEYE				E-2C HAWKEYE																	
						Production Rate			Procurement Leadtimes																						
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1		ALT After Oct 1		Initial Mfg PLT		Reorder Mfg PLT		Total		Unit of Measure												
Airframe		Northrop Grumman				4	6	8	6		3				41		44		E												
		St. Augustine, FL																													
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2001												FISCAL YEAR 2002												B A L
							2000			CALENDAR YEAR 2001									CALENDAR YEAR 2002												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe		98	N	4	2	2				1				1*																	0
		99	N	3	0	3												1				1				1					0
		00	N	3	0	3																					1				2
		01	N	5	0	5				A																					5
		02	N	5	0	5													A												5
		03	N	5	0	5																									5
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2003												FISCAL YEAR 2004												B A L
							2002			CALENDAR YEAR 2003									CALENDAR YEAR 2004												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe (Cont.)		00	N	3	1	2	1			1																					0
		01	N	5	0	5						1		1		1			1			1									0
		02	N	5	0	5																1		1							3
		03	N	5	0	5				A																					5
		04	N	2	0	2													A												2

*REMARKS: The fourth FY98 aircraft was added to the budget substantially after the FY98 procurement was awarded. This contract was definitized before the fourth aircraft was added to the budget. Given the timing, this aircraft was placed on contract in conjunction with the FY99 aircraft (under an Advance Acquisition Contract (AAC) awarded in early FY98. This aircraft is considered (for delivery purposes) as an FY99 aircraft.

FY03 BUDGET PRODUCTION SCHEDULE, P-21															DATE		February 2002													
APPROPRIATION/BUDGET ACTIVITY										Weapon System					P-1 ITEM NOMENCLATURE															
Aircraft Procurement, Navy/BA-1, Combat Aircraft										E-2C HAWKEYE					E-2C HAWKEYE															
						Production Rate			Procurement Leadtimes																					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
Airframe	Northrop Grumman					4	6	8	6	3		41	44	E																
	St. Augustine, FL																													
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
						2004			CALENDAR YEAR 2005									CALENDAR YEAR 2006												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe (Cont.)	02	N	5	2	3		1		1		1																		0	
	03	N	5	0	5						1		1		1				1										0	
	04	N	2	0	2																					1			1	
	05	N	3	0	3			A																					3	
	06	N	4	0	4														A										4	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						2006			CALENDAR YEAR 2007									CALENDAR YEAR 2008												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe (Cont.)	04	N	2	1	1	1																							0	
	05	N	3	0	3										1		1		1										0	
	06	N	4	0	4																						1	1	2	
	07	N	4	0	4			A																					4	

Page No. 8
Exhibit P-21, Production Schedule
(Exhibit P-21, page 3 of 4)

FY03 BUDGET PRODUCTION SCHEDULE, P-21							DATE February 2002																							
APPROPRIATION/BUDGET ACTIVITY					Weapon System		P-1 ITEM NOMENCLATURE																							
Aircraft Procurement, Navy/BA-1, Combat Aircraft					E-2C HAWKEYE		E-2C HAWKEYE																							
		Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location		MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																			
Engines	Allison Engine Company		6	12	42	9	3		33	36	E																			
	Indianapolis, IN																													
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005								FISCAL YEAR 2006								B A L								
						2004		CALENDAR YEAR 2005								CALENDAR YEAR 2006														
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Engines (Cont.)	03	N	10	0	10	2		2		2		2		2																0
	04	N	4	0	4																2		2							0
	05	N	6	0	6			A																						6
	06	N	8	0	8														A											8
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007								FISCAL YEAR 2008								B A L								
						2006		CALENDAR YEAR 2007								CALENDAR YEAR 2008														
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
	05	N	6	0	6															2		2		2						0
	06	N	8	0	8																									8
	07	N	8	0	8			A																						8

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Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft			DATE: Feb 2002		
P-1 ITEM NOMENCLATURE E-2C HAWKEYE		Admin Leadtime (after Oct1): 3 MONTHS		Prod Leadtime : 33 MONTHS			
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	5	5	5	2	3	4	4
Unit Cost	66.82	60.39	59.91	132.95	110.73	105.90	101.16
Total Cost	334.11	301.95	299.53	265.90	332.18	423.61	404.66
Asset Dynamics							
Beginning Asset Position	75	75	75	75	75	75	75
Deliveries from all prior year funding	2	4	2				
Deliveries from FY 2001 funding			3	2			
Deliveries from FY 2002 funding				2	3		
Deliveries from FY 2003 funding					3	2	
Deliveries from subsequent years' funding						1	3
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.	2	4	5	4	6	3	3
End of Year Asset Position	75	75	75	75	75	75	75
Inventory Objective or Current Authorized Allowance	75	75	75	75	75	75	75
Aircraft: TOAI: 78 PAA: 63 TAI: 75 Attrition Res: BAI: 12 Inactive Inv: Storage: 3		Remarks:					

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CLASSIFICATION:

BUDGET ITEM JUSTIFICATION SHEET P-40								DATE: Feb 2002				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						P-1 ITEM NOMENCLATURE E-2C Advance Procurement (MYP)						
Program Element for Code B Items:						Other Related Program Elements						
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total	
COST (In Millions)	522.797	A	65.603	36.191	27.600	32.500	46.300	47.300	48.300	789.268	1,615.859	
<p><u>MISSION AND DESCRIPTION:</u></p> <p>The E-2C Hawkeye is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the Hawkeye provides strike control, radar surveillance, search and rescue assistance, communications relay and automatic tactical data exchange.</p> <p><u>BASIS FOR FY 2003 BUDGET REQUEST:</u></p> <p>The FY 03 budget funds the long-lead requirement for the procurement of two (2) E-2C aircraft in FY 04.</p>												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: Feb 2002			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control N 1506/-/BA1/-/NA				Weapon System E-2C HAWKEYE		P-1 Line Item Nomenclature E-2C ADVANCE PROCUREMENT(MYP)			
(TOA, \$ in Millions)									
			UNIT	FY 2002	FY 2002	FY 2002	FY 2003	FY 2003	
	PLT	QPA	COST	For FY 2003 Qty	Contract Forecast Date	Total Cost Request	For FY 2004 Qty	Contract Forecast Date	FY 2003 Total Cost Request
E-2C	29	N/A		5	Dec-01	N/A	2	N/A	
CFE/AIRFRAME						MULTIYEAR			
RADAR	24	1	5.3	5	Dec-01		2	Dec-02	2.1
PDS	24	1	3.1	5	Dec-01		2	Dec-02	1.6
RODOME	24	1	2.6	5	Dec-01		2	Dec-02	1.8
IFF	24	1	0.6	5	Dec-01		2	Dec-02	1.9
LANDING GEAR	24	1	0.4	5	Dec-01		2	Dec-02	0.9
OTHER CFE	24	1	-	5	Dec-01		2	Dec-02	12.5
AIRFRAME EOQ	24	VAR	-	VAR	Dec-01	23.7	VAR		
Subtotal Advance Proc									20.7
GFE									
ENGINE EOQ	30	2	4.6	10	Dec-01	3.9	4	Dec-02	1.2
JTIDS	24	1	0.6	5	Dec-01	1.9	2	Dec-02	0.8
OTHER GFE	24	VAR	-	VAR	Dec-01	6.7	VAR	Dec-02	4.9
TOTAL						12.5			6.9
Total Advance Proc						36.2			27.6
Description:									
Note: Totals may not add due to rounding.									

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2002

APPROPRIATION/BUDGET ACTIVITY
Aircraft Procurement, Navy/BA-2

P-1 ITEM NOMENCLATURE
UC-35 (42CA)

Program Element for Code B Items:

N/A

Other Related Program Elements

N/A

	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	2		1	1			1	2	2		9
Net P-1 Cost (\$M)	11.897		7.530	7.403			8.279	16.820	17.132		69.061
Advance Proc (\$M)											
Wpn Sys Cost (\$M)	11.897		7.530	7.403			8.279	16.820	17.132		69.061
Initial Spares (\$M)											
Proc Cost (\$M)	11.897		7.530	7.403			8.279	16.820	17.132		69.061
Unit Cost (\$M)	5.949		7.530	7.403			8.279	8.410	8.566		7.673

Description:

The UC-35 is a FAA type-certified modern commercial cargo/passenger transport aircraft (Cessna Citation Ultra / Encore) that will replace the US Marine Corps' (USMC) CT-39 aircraft in performing Operational Support Airlift (OSA) missions. The OSA mission provides transportation for high priority passengers and cargo with time, place or mission sensitive requirements. Two UC-35 aircraft have already been procured for the USMC Reserves in FY98 using National Guard & Reserve Equipment (NG&RE) funding and they were delivered in the 1st Qtr of FY00. Congress provided APN funding in FY00 to procure 2 more UC-35 aircraft and associated support. Spares procurement is not planned as the UC-35 will be solely supported by Contractor Logistic Support (CLS).

Basis for Request: N/A

P-1 SHOPPING LIST

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002

Aircraft model: UC-35

\$ in thousands

		FY 2001		FY 2002		FY 2003	
		Qty: 1		Qty: 1		Qty:	
		<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	Prior Years <u>Total Cost</u>						
1	Airframe CFE						
2	CFE Electronics						
3	GFE Electronics						
4	Engines/Eng Acc						
5	Armament						
6	Other GFE						
7	Rec Flyaway ECO						
8	Rec Flyaway Cost	7,180.000	7,180.000	7,335.862	7,335.862		
9	Non-Recur Cost						
10	Ancillary Equip						
11							
12	Total Flyaway	7,180.000	7,180.000	7,335.862	7,335.862		
13	Airframe PGSE						
14	Engine PGSE						
15	Avionics PGSE						
16	Pec Trng Eq						
17	Pub/Tech Eq	3.100	1.900	0.800			
18	Other ILS	1,485.911	300.022	50.000			
19	Prod Eng Supt	82.233	48.078	16.337			
20							
21	Support Cost	1,571.244	350.000	67.138			
22	Gross P-1 Cost	11,897.000	7,530.000	7,403.000			
23	Adv Proc Credit						
24	Net P-1 Cost	11,897.000	7,530.000	7,403.000			
25	Adv Proc CY						
26	Weapon System Cost	11,897.000	7,530.000	7,403.000			
27	Initial Spares						
28	Procurement Cost	11,897.000	7,530.000	7,403.000			

P-1 SHOPPING LIST

ITEM NO 16

PAGE NO 2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: UC-35

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
	Qty:	1	Qty:	1	Qty:	2	Qty:	2		
	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>		
1 Airframe CFE			8,031.000	8,031.000	8,273.495	16,546.990	8,438.796	16,877.592		66,297.200
2 CFE Electronics										
3 GFE Electronics										
4 Engines/Eng Acc										
5 Armament										
6 Other GFE										
7 Rec Flyaway ECO										
8 Rec Flyaway Cost			8,031.000	8,031.000	8,273.495	16,546.990	8,438.796	16,877.592		66,297.200
9 Non-Recur Cost										
10 Ancillary Equip										
11										
12 Total Flyaway			8,031.000	8,031.000	8,273.495	16,546.990	8,438.796	16,877.592		66,297.200
13 Airframe PGSE										
14 Engine PGSE										
15 Avionics PGSE										
16 Pec Trng Eq										
17 Pub/Tech Eq										5.800
18 Other ILS				173.000		193.010		169.408		2,371.351
19 Prod Eng Supt				75.000		80.000		85.000		386.648
20										
21 Support Cost				248.000		273.010		254.408		2,763.800
22 Gross P-1 Cost				8,279.000		16,820.000		17,132.000		69,061.000
23 Adv Proc Credit										
24 Net P-1 Cost				8,279.000		16,820.000		17,132.000		69,061.000
25 Adv Proc CY										
26 Weapon System Cost				8,279.000		16,820.000		17,132.000		69,061.000
27 Initial Spares										
28 Procurement Cost				8,279.000		16,820.000		17,132.000		69,061.000

P-1 SHOPPING LIST

ITEM NO 16

PAGE NO 3

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System UC-35		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-2					C. P-1 ITEM NOMENCLATURE UC-35				SUBHEAD 42CA	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
AIRFRAME CFE / FY01	1	\$ 7,180	ARMY	N/A	FFP	CESSNA AIRCRAFT WICHITA, KS	01/01	03/02	N/A	N/A
AIRFRAME CFE / FY02	1	\$ 7,336	ARMY	N/A	FFP	CESSNA AIRCRAFT WICHITA, KS	3/02	4/03	N/A	N/A
D. REMARKS										

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21														DATE February 2002																					
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT, NAVY/BA-2														Weapon System UC-35							P-1 ITEM NOMENCLATURE UC-35														
						Production Rate					Procurement Leadtimes																								
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT		Reorder Mfg PLT		Total			Unit of Measure													
UC-35		CESSNA ACFT CO.				N/A	N/A	N/A	0			6			N/A		13		19			E													
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 02														FISCAL YEAR 03														
							CALENDAR YEAR														CALENDAR YEAR														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L				
UC-35 / CESSNA		01	N	1	0	1							1																	0					
UC-35 / CESSNA		02	N	1	0	1						A												1						0					
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 04														FISCAL YEAR 05														
							CALENDAR YEAR														CALENDAR YEAR														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L				
UC-35 / CESSNA		05	N	1	0	1															A									1					
UC-35 / CESSNA																																			
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 06														FISCAL YEAR 07														
							CALENDAR YEAR														CALENDAR YEAR														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L				
UC-35 / CESSNA		05	N	1	0	1								1																0					
UC-35 / CESSNA		06	N	2	2	0				A															2					0					
UC-35 / CESSNA		07	N	2	0	2															A									2					

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-2				DATE: February 2002	
P-1 ITEM NOMENCLATURE UC-35		Admin Leadtime (after Oct1): 6 MONTHS			Prod Leadtime : 13 MONTHS		
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	1	1			1	2	2
Unit Cost	\$7,530	\$7,403			\$8,279	\$8,410	\$8,566
Total Cost	\$7,530	\$7,403			\$8,279	\$16,820	\$17,132
Asset Dynamics							
Beginning Asset Position	2	4	5	6	6	6	6
Deliveries from all prior year funding	2						
Deliveries from FY 2001 funding		1					
Deliveries from FY 2002 funding			1				
Deliveries from FY 2003 funding							
Deliveries from subsequent years' funding						1	2
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.							
End of Year Asset Position	4	5	6	6	6	7	9
Inventory Objective or Current Authorized Allowance	8	9	9	9	9	9	9
Aircraft:	Remarks: FY07 AIRCRAFT BUY WILL BE DELIVERED IN FY08. ** Two aircraft delivered in FY00 were procured with FY98 NG&RE funding.						
TOAI: 9							
PAA:							
TAI 9							
Attrition Res: 0							
BAI 0							
Inactive Inv: 0							
Storage: 0							

UNCLASSIFIED

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET
P-40DATE:
February 2002APPROPRIATION/BUDGET ACTIVITY
Aircraft Procurement, Navy, BA-2P-1 ITEM NOMENCLATURE
C-40A (42B2)Program Element for Code B Items:
N/AOther Related Program Elements
N/A

	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	1		1					3	1	19	29
Net P-1 Cost (\$M)	56.301		54.495					193.172	67.345	1,488.410	1,859.723
Advance Proc (\$M)											
Wpn Sys Cost (\$M)	56.301		54.495					193.172	67.345	1,488.410	1,859.723
Initial Spares (\$M)	1.204		0.933					1.904	1.200	23.260	28.501
Proc Cost (\$M)	57.505		55.428					195.076	68.545	1,511.670	1,888.224
Unit Cost (\$M)	57.505		55.428					65.025	68.545	79.562	65.111

Description:

The C-40A is the replacement for the C-9B/DC-9 aircraft. The C-40A provides the Navy Reserve with a long range aircraft that will carry high priority passengers and cargo. The C-40A carries 121 passengers in the all passenger configuration, eight standard DoD cargo pallets in the all cargo configuration, or 3 pallets and 70 passengers in the "combination" configuration. The C-40A is a commercial derivative of the Boeing 737-700C and all three configurations are FAA Certified. The C-40A is certified for Extended Twin-Engined Operations (ETOPS) for over water operations.

In FY 1999 and prior, four C-40A aircraft and related support were procured for the Navy Reserves using FY97-99 National Guard & Reserve Equipment (NG&RE) funding.

The long term objective for the C-40A program is to replace all 29 C-9B/DC-9 aircraft.

Basis for Request: Not Applicable

P-1 SHOPPING LIST

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: C-40A

\$ in thousands

			FY 2001		FY 2002		FY 2003	
			Qty:	1	Qty:		Qty:	
		<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1	Airframe CFE	53,943.000	52,764.000	52,764.000				
2	CFE Electronics							
3	GFE Electronics	49.000	99.000	99.000				
4	Engines/Eng Acc							
5	Armament							
6	Other GFE							
7	Rec Flyaway ECO							
8	Rec Flyaway Cost	53,992.000	52,863.000	52,863.000				
9	Non-Recur Cost							
10	Ancillary Equip							
11								
12	Total Flyaway	53,992.000	52,863.000	52,863.000				
13	Airframe PGSE	1,134.000						
14	Engine PGSE							
15	Avionics PGSE							
16	Pec Trng Eq							
17	Pub/Tech Eq							
18	Other ILS	563.000		701.000				
19	Prod Eng Supt	612.000		931.000				
20								
21	Support Cost	2,309.000		1,632.000				
22	Gross P-1 Cost	56,301.000		54,495.000				
23	Adv Proc Credit							
24	Net P-1 Cost	56,301.000		54,495.000				
25	Adv Proc CY							
26	Weapon System Cost	56,301.000		54,495.000				
27	Initial Spares	1,204.000		933.000				
28	Procurement Cost	57,505.000		55,428.000				

P-1 SHOPPING LIST

ITEM NO 17

PAGE NO 2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: C-40A

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>		
1 Airframe CFE					64,339.000	193,016.000	67,292.000	67,292.000	1,463,991.000	1,831,006.000
2 CFE Electronics										
3 GFE Electronics					52.000	156.000	53.000	53.000	1,113.000	1,470.000
4 Engines/Eng Acc										
5 Armament										
6 Other GFE										
7 Rec Flyaway ECO										
8 Rec Flyaway Cost					64,391.000	193,172.000	67,345.000	67,345.000	1,465,104.000	1,832,476.000
9 Non-Recur Cost										
10 Ancillary Equip										
11										
12 Total Flyaway					64,391.000	193,172.000	67,345.000	67,345.000	1,465,104.000	1,832,476.000
13 Airframe PGSE									15,915.000	17,049.000
14 Engine PGSE										
15 Avionics PGSE										
16 Pec Trng Eq										
17 Pub/Tech Eq										
18 Other ILS									4,370.000	5,634.000
19 Prod Eng Supt									3,021.000	4,564.000
20										
21 Support Cost									23,306.000	27,247.000
22 Gross P-1 Cost						193,172.000		67,345.000	1,488,410.000	1,859,723.000
23 Adv Proc Credit										
24 Net P-1 Cost						193,172.000		67,345.000	1,488,410.000	1,859,723.000
25 Adv Proc CY										
26 Weapon System Cost						193,172.000		67,345.000	1,488,410.000	1,859,723.000
27 Initial Spares						1,904.000		1,200.000	23,260.000	28,501.000
28 Procurement Cost						195,076.000		68,545.000	1,511,670.000	1,888,224.000

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System C-40A		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy, BA-2					C. P-1 ITEM NOMENCLATURE C-40A				SUBHEAD 42B2	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
AIRFRAME CFE/ FY01	1	\$52,764	NAVAIR	N/A	FFP	BOEING SEATTLE WA	12/00	11/02	N/A	N/A
D. REMARKS										

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21										Date: February 2002														
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ BA-2										Weapon System C-40A					P-1 ITEM NOMENCLATURE C-40A									
						Production Rate			Procurement Leadtimes															
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure										
C-40A	BOEING SEATTLE					N/A	N/A	N/A	3	3	24	22	25	E										

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2000												FISCAL YEAR 2001												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
C-40A/Boeing Seattle	00	N	1	0	1									A													1			
C-40A/Boeing Seattle	01	N	1	0	1													A									1			

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
C-40A/Boeing Seattle	00	N	1	0	1									1													0			
C-40A/Boeing Seattle	01	N	1	0	1													1									0			

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21										Date: February 2002														
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ BA-2										Weapon System C-40A					P-1 ITEM NOMENCLATURE C-40A									
						Production Rate			Procurement Leadtimes															
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total				Unit of Measure							
C-40A		BOEING SEATTLE				N/A	N/A	N/A	3	3	24	22	25				E							

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
C-40A/Boeing Seattle	06	N	3	0	3				A																				3	
C-40A/Boeing Seattle	07	N	1	0	1													A										1		

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy, BA-2				DATE: February 2002												
P-1 ITEM NOMENCLATURE C-40A		Admin Leadtime (after Oct1): 3			Prod Leadtime : 22													
		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006											
Buy Summary		1					3											
Unit Cost		54,495					64,391											
Total Cost		54,495					193,172											
Asset Dynamics																		
Beginning Asset Position		0	4	5	6	6	6											
Deliveries from all prior year funding		4	1															
Deliveries from FY 2001 funding				1														
Deliveries from FY 2002 funding																		
Deliveries from FY 2003 funding																		
Deliveries from subsequent years' funding																		
Other Gains																		
Combat Losses/Usage																		
Training Losses/Usage																		
Test Losses/Usage																		
Other Losses/Usage																		
Disposals/Retirements/Attritions/etc.																		
End of Year Asset Position		4	5	6	6	6	6											
Inventory Objective or Current Authorized Allowance		29	29	29	29	29	29											
<table border="1"> <tr> <td>Aircraft:</td> <td rowspan="7"> Remarks: * 3 aircraft in FY06 will deliver April/May/Jun 2008 making end of year asset position for FY08 at 9 aircraft. * 1 aircraft in FY07 will deliver April 2009 making end of year asset position for FY09 at 10 aircraft. ** Four aircraft delivered in FY01 were procured with FY97-99 NG&RE funding. </td> </tr> <tr> <td>TOAI: 29</td> </tr> <tr> <td>PAA:</td> </tr> <tr> <td>TAI 29</td> </tr> <tr> <td>Attrition Res: 0</td> </tr> <tr> <td>BAI 0</td> </tr> <tr> <td>Inactive Inv: 0</td> </tr> <tr> <td>Storage: 0</td> </tr> <tr> <td></td> <td></td> </tr> </table>								Aircraft:	Remarks: * 3 aircraft in FY06 will deliver April/May/Jun 2008 making end of year asset position for FY08 at 9 aircraft. * 1 aircraft in FY07 will deliver April 2009 making end of year asset position for FY09 at 10 aircraft. ** Four aircraft delivered in FY01 were procured with FY97-99 NG&RE funding.	TOAI: 29	PAA:	TAI 29	Attrition Res: 0	BAI 0	Inactive Inv: 0	Storage: 0		
Aircraft:	Remarks: * 3 aircraft in FY06 will deliver April/May/Jun 2008 making end of year asset position for FY08 at 9 aircraft. * 1 aircraft in FY07 will deliver April 2009 making end of year asset position for FY09 at 10 aircraft. ** Four aircraft delivered in FY01 were procured with FY97-99 NG&RE funding.																	
TOAI: 29																		
PAA:																		
TAI 29																		
Attrition Res: 0																		
BAI 0																		
Inactive Inv: 0																		
Storage: 0																		

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CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy / BA-2						P-1 ITEM NOMENCLATURE C-37 Aircraft (42VP)					
Program Element for Code B Items: N/A						Other Related Program Elements N/A					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY			1					2		2	5
Net P-1 Cost (\$M)			49.693					99.894		111.043	260.630
Advance Proc (\$M)											
Wpn Sys Cost (\$M)			49.693					99.894		111.043	260.630
Initial Spares (\$M)			1.743					2.110			3.853
Proc Cost (\$M)			51.436					102.004		111.043	264.483
Unit Cost (\$M)			51.436					51.002		55.522	52.897

Mission & Description:

1. The C-37 is a long-range, twin-turbofan, Commercial Off the Shelf (COTS)/Non-Developmental Item (NDI), Federal Aviation Administration (FAA) certified, transport aircraft. The aircraft will be certified per Federal Aviation Regulation (FAR) Part 25 (Airworthiness Standards), Part 34 (Pollution), and Part 36 (Noise).
2. The mission of the C-37 aircraft is to provide long range executive transport to the Chief of Naval Operations (CNO), Commander in Chief's (CINC's) and their staff. Four of the five aircraft currently meeting this mission have exceeded or will exceed fatigue life expiration by FY 2006.
3. The aircraft will comply with reduced vertical separation minimum (RVSM), extended twin-engine over-water requirements and be communication, navigation, surveillance/air traffic management (CNS/ATM) compliant. The aircraft will have state of the art avionics that comply with all known FAA and International Civil Aviation Organization (ICAO) mandates and Future Air Navigation Systems (FANS) requirements.
4. The total aircraft program requirement is five (5) aircraft.

Basis for Request: N/A

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AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002

Aircraft model: C-37

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 2001 Qty: 1		FY 2002 Qty:		FY 2003 Qty:	
		<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1 Airframe CFE		44,000.000	44,000.000				
2 CFE Electronics							
3 GFE Electronics							
4 Engines/Eng Acc							
5 Armament							
6 Other GFE							
7 Rec Flyaway ECO							
8 Rec Flyaway Cost		44,000.000	44,000.000				
9 Non-Recur Cost							
10 Ancillary Equip							
11							
12 Total Flyaway		44,000.000	44,000.000				
13 Airframe PGSE			900.000				
14 Engine PGSE							
15 Avionics PGSE							
16 Pec Trng Eq			948.000				
17 Pub/Tech Eq			360.000				
18 Other ILS			2,845.000				
19 Prod Eng Supt			640.000				
20							
21 Support Cost			5,693.000				
22 Gross P-1 Cost			49,693.000				
23 Adv Proc Credit							
24 Net P-1 Cost			49,693.000				
25 Adv Proc CY							
26 Weapon System Cost			49,693.000				
27 Initial Spares			1,743.000				
28 Procurement Cost			51,436.000				

P-1 SHOPPING LIST

ITEM NO 18

PAGE NO 2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: C-37

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>	Qty:	<u>Unit Cost</u>		
1 Airframe CFE					47,525.000	95,050.000			105,156.000	244,206.000
2 CFE Electronics										
3 GFE Electronics										
4 Engines/Eng Acc										
5 Armament										
6 Other GFE										
7 Rec Flyaway ECO										
8 Rec Flyaway Cost					47,525.000	95,050.000			105,156.000	244,206.000
9 Non-Recur Cost										
10 Ancillary Equip										
11										
12 Total Flyaway					47,525.000	95,050.000			105,156.000	244,206.000
13 Airframe PGSE						1,362.000			1,012.000	3,274.000
14 Engine PGSE										
15 Avionics PGSE										
16 Pec Trng Eq										
17 Pub/Tech Eq						290.000			405.000	1,055.000
18 Other ILS						1,818.000			2,630.000	7,293.000
19 Prod Eng Supt						1,374.000			1,840.000	3,854.000
20										
21 Support Cost						4,844.000			5,887.000	16,424.000
22 Gross P-1 Cost						99,894.000			111,043.000	260,630.000
23 Adv Proc Credit										
24 Net P-1 Cost						99,894.000			111,043.000	260,630.000
25 Adv Proc CY										
26 Weapon System Cost						99,894.000			111,043.000	260,630.000
27 Initial Spares						2,110.000				3,853.000
28 Procurement Cost						102,004.000			111,043.000	264,483.000

P-1 SHOPPING LIST

ITEM NO 18

PAGE NO 3

CLASSIFICATION:

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System C-37Aircraft		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-2					C. P-1 ITEM NOMENCLATURE C-37 Aircraft				SUBHEAD 42VP	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
Airframe CFE FY01	1	\$ 44,000	Tinker AFB	N/A	FFP	Gulfstream, Savannah GA	Jan 01	Mar 02	N/A	N/A
D. REMARKS										

Exhibit P-21 Production Schedule

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21						DATE: February 2002											
APPROPRIATION/BUDGET ACTIVITY						Weapon System						P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy/ Budget Activity 2						C-37 A/C						C-37 A/C					
						Production Rate			Procurement Leadtimes								
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure			
C-37Aircraft	Gulfstream, Savannah GA					NA	NA	NA	0	3	15	NA	18	E			

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
C-37 Aircraft	06	N	2	0	2																						2			

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						CALENDAR YEAR												CALENDAR YEAR												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
C-37 Aircraft	06	N	2	0	2							2															0			

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Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY APN-2			DATE: February 2002		
P-1 ITEM NOMENCLATURE C-37 A/C		Admin Leadtime (after Oct1): 3 months			Prod Leadtime : 15 Months		
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	1					2	
Unit Cost	\$49,693					\$49,947	
Total Cost	\$49,693					\$99,894	
Asset Dynamics							
Beginning Asset Position	0	0	1	1	1	1	1
Deliveries from all prior year funding	0						
Deliveries from FY 2001 funding		1					
Deliveries from FY 2002 funding							
Deliveries from FY 2003 funding							
Deliveries from subsequent years' funding							2
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.							
End of Year Asset Position	0	1	1	1	1	1	3
Inventory Objective or Current Authorized Allowance	5	5	5	5	5	5	5
Aircraft:	Remarks:						
TOAI: 5							
PAA:							
TAI 5							
Attrition Res: 0							
BAI 0							
Inactive Inv: 0							
Storage: 0							

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BUDGET ITEM JUSTIFICATION SHEET P-40								DATE: February 2002			
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ (BA-3)						P-1 ITEM NOMENCLATURE T-45 Advance Procurement					
Program Element for Code B Items:						Other Related Program Elements					
	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total
COST (In Millions)	337.846	A	5.094	0	0	0	0	0	0	0	342.940
<p><u>MISSION AND DESCRIPTION:</u> This line item funds long lead requirements for the T-45 aircraft production program. Airframe/CFE and engine requirements are calculated on a funded termination liability basis, reflecting contractor's funding requirements for procurement of long-lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) requirements are determined on a fully funded basis, procuring the long-lead quantity needed to protect the production schedule.</p> <p><u>BASIS FOR FY 2003 BUDGET REQUEST:</u> No funds are requested in FY 2003.</p>											

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)					Date: February 2002							
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement / APN-3, Trainer Aircraft					P-1 Line Item Nomenclature T-45 Advance Procurement							
Weapon System T-45TS				First System (BY1) Award Date Mar-03				Interval Between Systems 4.0 Weeks				
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	To Complete	Total
End Item Qty			153	14	6	8	0	0	0	0	0	181
CFE - Airframe	27	27	301.2	2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	304.1
GFE - Engine	28	26	22.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.2
GFE - Other	27	26	14.6	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.7
EOQ	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other *												
Total AP			337.9	5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	343.0

Description:

Termination Liability schedule inputs provided by Boeing.
Total may be different from P-40 exhibit due to rounding.

* Specify other items for all pages of this exhibit.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2002		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy / APN-3, Trainer Aircraft				Weapon System T45TS		P-1 Line Item Nomenclature T-45 Advance Procurement			
(TOA, \$ in Millions)									
	PLT	QPA	UNIT COST	FY 2002 For FY 2003 Qty	FY 2002 Contract Forecast Date	FY 2002 Total Cost Request	FY 2003 For FY 2004 Qty	FY 2003 Contract Forecast Date	FY 2003 Total Cost Request
End Item									
CFE - Airframe									
TERM LIABILITY									
GFE - Engine									
GFE - Other									
Total Advance Proc									
Description: N/A as last year for T45TS Advance Procurement is FY 2001.									

CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET
P-40DATE:
February 2002APPROPRIATION/BUDGET ACTIVITY
Aircraft Procurement, Navy/B.A.3P-1 ITEM NOMENCLATURE
T45TS Goshawk

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	153	A	14	6	8	0	0	0	0	0	181
Net P-1 Cost (\$M)	3,364.709	A	297.161	183.420	221.381	0	0	0	0	0	4,066.671
Advance Proc (\$M)	337.846	A	5.094	0	0	0	0	0	0	0	342.940
Wpn Sys Cost (\$M)	3,702.555	A	302.255	183.420	221.381	0	0	0	0	0	4,409.611
Initial Spares (\$M)	215.622	A	7.812	8.481	12.599	0	0	0	0	0	244.514
Proc Cost (\$M)	3,918.177	A	310.067	191.901	233.980	0	0	0	0	0	4,654.125
Unit Cost (\$M)	25.609	A	22.148	31.984	29.248	0	0	0	0	0	25.713

Description:

The T45TS is an optimized replacement for the existing pilot training system that meets carrier pilot production requirements (TA-4J retired FY99 & T-2C retires FY03). The fully integrated system includes: 181 T-45 aircraft; 17 simulators; academic materials, training aids, & equipment; two computer based training integration systems and contractor logistics support of all system elements.

BASIS FOR REQUEST: Funding is requested in FY 2003 for the procurement of 8 T45TS aircraft. No production line shut-down funding is included in this budget.

P-1 SHOPPING LIST ITEM NO. 20

CLASSIFICATION:

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AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: T45TS Goshawk

\$ in thousands

	Prior Years	FY 2001		FY 2002		FY 2003	
		Qty:	14	Qty:	6	Qty:	8
	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1 Airframe CFE	2,502,722.708	14,533.468	203,468.554	20,341.181	122,047.086	18,623.012	148,984.094
2 Engines/Eng Acc	166,607.617	1,948.699	27,281.792	2,496.519	14,979.113	2,486.532	19,892.252
3 GFE Electronics	17,317.684	159.286	2,229.998	217.029	1,302.174	247.676	1,981.405
6 Other GFE	75,005.735	532.023	7,448.327	572.181	3,433.086	670.218	5,361.743
Subtotal GFE	258,931.036	2,640.008	36,960.117	3,285.729	19,714.373	3,404.425	27,235.400
7 Rec Flyaway ECO	13,865.645	651.037	9,114.519	400.657	2,403.942	465.575	3,724.602
8 Rec Flyaway Cost	2,775,519.389	17,824.514	249,543.190	24,027.567	144,165.401	22,493.012	179,944.096
9 Non-Recur Cost	126,190.931		11,834.527		8,400.000		2,400.000
10 Ancillary Equip	12,311.007		2,038.718		2,903.718		3,409.590
12 Total Flyaway	2,914,021.327	18,815.460	263,416.435	25,911.520	155,469.119	23,219.211	185,753.686
13 Airframe PGSE	111,681.066		5,572.063		3,216.200		3,606.960
16 Pec Trng Eq	206,585.575		240.883		6,400.000		0.000
17 Pub/Tech Eq	46,637.823		4,744.496		2,032.875		2,254.350
18 Other ILS	219,693.554		16,649.236		12,330.826		13,477.024
19 Fac Mgmt/Fld Act	169,240.062		12,668.207		6,230.910		13,146.271
20 ISD/TIS/ACAD	25,238.072		2,819.279		2,834.070		3,142.709
Spares (Cong. Add)	0.000		508.401		0.000		0.000
21 Support Cost	779,076.152		43,202.565		33,044.881		35,627.314
22 Gross P-1 Cost	3,693,097.479		306,619.000		188,514.000		221,381.000
23 Adv Proc Credit	-328,387.992		-9,458.000		-5,094.000		0.000
24 Net P-1 Cost	3,364,709.487		297,161.000		183,420.000		221,381.000
25 Adv Proc CY	337,845.992		5,094.000		0.000		0.000
26 Weapon System Cost	3,702,555.479		302,255.000		183,420.000		221,381.000
27 Initial Spares	215,621.877		7,812.000		8,481.000		12,599.000
28 Procurement Cost	3,918,177.356		310,067.000		191,901.000		233,980.000

P-1 SHOPPING LIST ITEM NO. 20

P-1 SHOPPING LIST ITEM NO. 20

PAGE NO. 2

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: T45TS GOSHAWK

\$ in thousands

	FY 2004		FY 2005		FY 2006		FY 2007		To Complete Cost	TOTAL COST
	Qty:	Unit Cost	Qty:	Unit Cost	Qty:	Unit Cost	Qty:	Unit Cost		
1 Airframe CFE		0		0		0		0	0	2,977,222.442
2 Engines/Eng Acc		0		0		0		0	0	228,760.774
3 GFE Electronics		0		0		0		0	0	22,831.261
6 Other GFE		0		0		0		0	0	91,248.891
Subtotal GFE		0		0		0		0	0	342,840.926
7 Rec Flyaway ECO		0		0		0		0	0	29,108.708
8 Rec Flyaway Cost		0		0		0		0	0	3,349,172.076
9 Non-Recur Cost		0		0		0		0	0	148,825.458
10 Ancillary Equip		0		0		0		0	0	20,663.033
12 Total Flyaway		0		0		0		0	0	3,518,660.567
13 Airframe PGSE		0		0		0		0	0	124,076.289
16 Pec Trng Eq		0		0		0		0	0	213,226.458
17 Pub/Tech Eq		0		0		0		0	0	55,669.544
18 Other ILS		0		0		0		0	0	262,150.640
19 Fac Mgmt/Fld Act		0		0		0		0	0	201,285.450
20 ISD/TIS/ACAD		0		0		0		0	0	34,034.130
21 Spares (Cong. Add)										508.401
22 Support Cost		0		0		0		0	0	890,950.912
22 Gross P-1 Cost		0		0		0		0	0	4,409,611.479
23 Adv Proc Credit		0		0		0		0	0	-342,939.992
24 Net P-1 Cost		0		0		0		0	0	4,066,671.487
25 Adv Proc CY		0		0		0		0	0	342,939.992
26 Weapon System Cost		0		0		0		0	0	4,409,611.479
27 Initial Spares		0		0		0		0	0	244,513.877
28 Procurement Cost		0		0		0		0	0	4,654,125.356

P-1 SHOPPING LIST ITEM NO. 20

P-1 SHOPPING LIST ITEM NO. 20

PAGE NO. 3

CLASSIFICATION:

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System T45TS GOSHAWK		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ B.A.3					C. P-1 ITEM NOMENCLATURE T45 Airframe				SUBHEAD U3GH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
FY 2001 Regular	14	14,533	NAVAIR, Pax River	7/97	SS /FP/OPT	Boeing (MDA) St. Louis, MO	12/00	10/02	Yes	N/A
ADV PROCUREMENT (01 for 02)			NAVAIR, Pax River	7/97	SS /FP/OPT	Boeing (MDA) St. Louis, MO	7/01		Yes	N/A
FY 2002 Regular	6	20,341	NAVAIR, Pax River	7/97	SS /FP/OPT	Boeing (MDA) St. Louis, MO	3/02	11/03	Yes	N/A
FY 2003 Regular	8	18,623	NAVAIR, Pax River	11/01	SS /FP/OPT	Boeing (MDA) St. Louis, MO	3/03	10/04	Yes	N/A
P-1 SHOPPING LIST ITEM NO. 20										
D. REMARKS * Airframe/CFE and CFE Mission Electronics only. Engine is GFE. ** Sole Source because Boeing (MDA) is the designer, developer and sole manufacturer/integrator of the T-45 airplane. Only Boeing (MDA) possesses the unique experience and capabilities to fulfill this requirement. Because Boeing is the sole source contractor, there are normally no formal RFP's utilized, and the process begins with Boeing submitting a proposal. Therefore, the RFP dates above are not true RFP dates and reflect NAVAIR contracting estimates on when proposals began.										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System T45TS GOSHAWK		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ B.A. 3					C. P-1 ITEM NOMENCLATURE T45 Engine				SUBHEAD U3GH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
FY 2001 Regular	14	1,949	NAVAIR, Pax River	7/99	SS/ FP/ OPT	Rolls Royce plc Bristol, England	11/00	3/02	YES	N/A
ADV Procurement (01 for 02)			NAVAIR, Pax River	7/00	SS/ FP/ OPT	Rolls Royce plc Bristol, England	8/01		YES	N/A
FY 2002 Regular	6	2,497	NAVAIR, Pax River	7/00	SS/ FP/ OPT	Rolls Royce plc Bristol, England	2/02	3/03	YES	N/A
FY 2003 Regular	8	2,487	NAVAIR, Pax River	11/01	SS/ FP/ OPT	Rolls Royce plc Bristol, England	2/03	3/04	YES	N/A
					P-1 SHOPPING LIST ITEM NO. 20					
D. REMARKS * Engine / Access only. ** Sole source because Rolls Royce is the designer, developer and sole source manufacturer of the T-45 engine. Only Rolls Royce possesses the unique experience and capabilities to fulfill this requirement. Therefore, no formal RFP's are utilized, and initial discussions begin on the RFP issue dates listed. The FFP basic contract was awarded to Rolls Royce (Nov 93) and contains eight (8) options for the FY-94 through FY-01 procurements. A new contract for FY-02 procurement was awarded.										

FY 2002 BUDGET PRODUCTION SCHEDULE, P-21																	DATE		February 2002												
APPROPRIATION/BUDGET ACTIVITY																	Weapon System		P-1 ITEM NOMENCLATURE												
Aircraft Procurement, Navy																	Trainer Aircraft		T45TS AIRFRAME												
						Production Rate			Procurement Leadtimes																						
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1		ALT After Oct 1		Initial Mfg PLT		Reorder Mfg PLT		Total	Unit of Measure													
AIRFRAME		BOEING (MDA)				8	15	48	0		6		38		18		24	each													
		ST. LOUIS, MO																													
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002										FISCAL YEAR 2003										B A L				
							2001			CALENDAR YEAR 2002							CALENDAR YEAR 2003														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y		J U N	J U L	A U G	S E P
AIRFRAME/BOEING (MDA)		00	N	15	0	15	1	1	2	1	1	1	1	2	1	1	1	2													0
AIRFRAME/BOEING (MDA)		01	N	14	0	14													1	1	1	2	1	1	1	2	1	1	1	1	0
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004										FISCAL YEAR 2005										B A L				
							2003			CALENDAR YEAR 2004							CALENDAR YEAR 2005														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y		J U N	J U L	A U G	S E P
AIRFRAME/BOEING (MDA)		02	N	6	0	6	0	1	0	1	0	1	1	0	1	0	0	1													0
AIRFRAME/BOEING (MDA)		03	N	8	0	8													1	1	0	1	0	1	1	0	1	1	0	1	0
		P-1 SHOPPING LIST ITEM NO. 20																													

FY 2002 BUDGET PRODUCTION SCHEDULE, P-21																	DATE		February 2002												
APPROPRIATION/BUDGET ACTIVITY																	Weapon System		P-1 ITEM NOMENCLATURE												
Aircraft Procurement, Navy / B.A. 3																	Trainer Aircraft		T45TS Engine												
						Production Rate			Procurement Leadtimes																						
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																	
T45TS Engine	Rolls Royce Bristol England					8	15	48	0	5	30	12	17	each																	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L	
						2001			CALENDAR YEAR 2002									CALENDAR YEAR 2003													
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P		
T45TS ENGINES/ROLLS ROYCE	00	N	15	8	7	2	1	1	1	2																					0
T45TS ENGINES/ROLLS ROYCE	01	N	14	0	14						1	1	1	2	1	1	1	2	1	1											0
T45TS ENGINES/ROLLS ROYCE	02	N	6	0	6																	1	0	1	0	1	0	1		2	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L	
						2003			CALENDAR YEAR 2004									CALENDAR YEAR 2005													
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P		
T45TS ENGINES/ROLLS ROYCE	02	N	6	4	2	0	1	0	1																						0
T45TS ENGINES/ROLLS ROYCE	03	N	8	0	8						1	0	1	1	0	1	1	0	1	1	0	1									0
						P-1 SHOPPING LIST ITEM NO. 20																									

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT, NAVY				DATE: February 2002	
P-1 ITEM NOMENCLATURE T45TS Goshawk		Admin Leadtime (after Oct1): 6 months			Prod Leadtime : 18 months		
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	14	6	8				
Unit Cost	\$ 22.1	\$ 32.0	\$ 29.2				
Total Cost	\$310.1	\$191.9	\$234.0				
Asset Dynamics							
Beginning Asset Position	110	123	135	146	148	153	150
Deliveries from all prior year funding	15	15					
Deliveries from FY 2001 funding			14				
Deliveries from FY 2002 funding				6			
Deliveries from FY 2003 funding					8		
Deliveries from subsequent years' funding							
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.	-2	-3	-3	-4	-3	-3	-3
End of Year Asset Position	123	135	146	148	153	150	147
Inventory Objective or Current Authorized Allowance	138	153	167	173	181	181	181
Aircraft: TOAI: 181 PAA: TAI 181 Attrition Res: 55 BAI 12 Inactive Inv: Storage:		Remarks:					

UNCLASSIFIED

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET
P-40DATE:
February 2002APPROPRIATION/BUDGET ACTIVITY
Aircraft Procurement, Navy/BA3

P-1 ITEM NOMENCLATURE

Joint Primary Aircraft Training System (JPATS)

Program Element for Code B Items:
0603208N Training System AircraftOther Related Program Elements
N/A

	Prior Years	ID Code	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete	Total Program
QUANTITY	12	B	24	6	0	0	0	0	24	262	328
Net P-1 Cost (\$M)	55.355	B	80.607	30.400	0.000	0.000	0.000	0.000	151.536	1,788.114	2,106.012
Advance Proc (\$M)	0.000	B	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Wpn Sys Cost (\$M)	55.355	B	80.607	30.400	0.000	0.000	0.000	0.000	151.536	1,788.114	2,106.012
Initial Spares (\$M)	0.000	B	0.000	0.000	0.000	0.000	0.000	0.000	8.464	62.281	70.745
Proc Cost (\$M)	55.355	B	80.607	30.400	0.000	0.000	0.000	0.000	160.000	1,850.395	2,176.757
Unit Cost (\$M)	4.613	B	3.359	5.067	0.000	0.000	0.000	0.000	6.667	7.063	6.636

Description:

MISSION: Supports Department of the Navy acquisition of the Joint Primary Aircraft Training System (JPATS) and transition to Department of Defense mandated Joint Primary Pilot Training (JPPT). The principal mission of the JPATS is to train entry-level Navy/Air Force student pilots in primary flying skills. JPATS also provides primary and intermediate training to entry-level USN Student Naval Flight Officers (SNFOs). JPATS will also support the training of USAF and USN Instructor Pilots (IPs). JPATS is a joint USAF/USN venture to replace the Services' aging fleets of primary training aircraft (T-37B/T-34C respectively). The USAF is the executive service.

DESCRIPTION: JPATS is a joint USAF/USN Acquisition Category 1C program. JPATS includes the T-6A Texan II (a single turboprop engine, stepped tandem seat, commercially derived aircraft), ground based training system (aircrew training devices, development courses, conversion courses, and operational support), and contractor logistics support. The Training Information Management System (TIMS) is a major information management system that will be used by the USN/USAF to manage all student administrative and training requirements. TIMS will be procured and installed prior to the first Navy T-6A aircraft. The USAF has programmed procurement of 454 T-6A Texan II aircraft, with the first procurement in FY95. The USN has programmed procurement of 328 aircraft with the first procurement in FY00.

BASIS FOR REQUEST: Navy procurement of JPATS is deferred and will resume in FY07.

P-1 SHOPPING LIST ITEM NO. 21

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 2002Aircraft model: JPATS

\$ in thousands

		FY 2001			FY 2002		FY 2003	
		Prior Years	Qty:	24	Qty:	6	Qty:	
		<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1	Airframe CFE	30,810.000	2,573.792	61,771.000	4,219.000	25,314.000	0.000	0.000
7	Rec Flyaway ECO	739.000	12.542	301.000	84.333	506.000	0.000	0.000
8	Rec Flyaway Cost	31,549.000	2,586.333	62,072.000	4,303.333	25,820.000	0.000	0.000
9	Non-Recur Cost	0.000		0.000		0.000		0.000
12	Total Flyaway	31,549.000	2,586.333	62,072.000	4,303.333	25,820.000	0.000	0.000
13	Airframe PGSE	0.000		0.000		0.000		0.000
16	Pec Trng Eq	21,820.000		17,688.000		1,368.000		0.000
17	Pub/Tech Eq	238.000		357.000		378.000		0.000
18	Other ILS	387.000		309.000		1,100.000		0.000
19	Prod Eng Supt	1,361.000		181.000		1,734.000		0.000
21	Support Cost	23,806.000		18,535.000		4,580.000		0.000
22	Gross P-1 Cost	55,355.000		80,607.000		30,400.000		0.000
23	Adv Proc Credit	0.000		0.000		0.000		0.000
24	Net P-1 Cost	55,355.000		80,607.000		30,400.000		0.000
25	Adv Proc CY	0.000		0.000		0.000		0.000
26	Weapon System Cost	55,355.000		80,607.000		30,400.000		0.000
27	Initial Spares	0.000		0.000		0.000		0.000
28	Procurement Cost	55,355.000		80,607.000		30,400.000		0.000

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: JPATS

\$ in thousands

		FY 2004		FY 2005		FY 2006		FY 2007		To	TOTAL
Prior Years		Qty:		Qty:		Qty:		Qty:	24	Complete	COST
<u>Total Cost</u>		<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Cost</u>	
1	Airframe CFE	0.000	0.000	0.000	0.000	0.000	0.000	5,656.667	135,760.000	1,539,573.000	1,793,228.000
7	Rec Flyaway ECO	0.000	0.000	0.000	0.000	0.000	0.000	95.375	2,289.000	74,500.000	78,335.000
8	Rec Flyaway Cost	0.000	0.000	0.000	0.000	0.000	0.000	5,752.042	138,049.000	1,614,073.000	1,871,563.000
9	Non-Recur Cost		0.000		0.000		0.000		0.000	0.000	0.000
12	Total Flyaway	0.000	0.000	0.000	0.000	0.000	0.000	5,752.042	138,049.000	1,614,073.000	1,871,563.000
13	Airframe PGSE		0.000		0.000		0.000		1,300.000	22,693.000	23,993.000
16	Pec Trng Eq		0.000		0.000		0.000		7,100.000	103,024.000	151,000.000
17	Pub/Tech Eq		0.000		0.000		0.000		1,157.000	10,265.000	12,395.000
18	Other ILS		0.000		0.000		0.000		765.000	4,253.000	6,814.000
19	Prod Eng Supt		0.000		0.000		0.000		3,165.000	33,806.000	40,247.000
21	Support Cost		0.000		0.000		0.000		13,487.000	174,041.000	234,449.000
22	Gross P-1 Cost		0.000		0.000		0.000		151,536.000	1,788,114.000	2,106,012.000
23	Adv Proc Credit		0.000		0.000		0.000		0.000	0.000	0.000
24	Net P-1 Cost		0.000		0.000		0.000		151,536.000	1,788,114.000	2,106,012.000
25	Adv Proc CY		0.000		0.000		0.000		0.000	0.000	0.000
26	Weapon System Cost		0.000		0.000		0.000		151,536.000	1,788,114.000	2,106,012.000
27	Initial Spares		0.000		0.000		0.000		8,464.000	62,281.000	70,745.000
28	Procurement Cost		0.000		0.000		0.000		160,000.000	1,850,395.000	2,176,757.000

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System JPATS		A. DATE February 2002			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA3					C. P-1 ITEM NOMENCLATURE Joint Primary Aircraft Training System (JPATS)				SUBHEAD U3AT	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>AIR VEHICLE</u>										
FY01	24	2,574	ASC/YT WPAFB OH	May-94	SS/FP w/EPA	Raytheon Aircraft Wichita, Kansas	Jun 01	May 03	yes	N/A
FY02	6	4,219	ASC/YT WPAFB OH	Jun-01	SS/FP w/EPA	Raytheon Aircraft Wichita, Kansas	Jun 02	May 04	yes	N/A
D. REMARKS										

CLASSIFICATION:

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Exhibit P-20, Requirements Study	APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA3				DATE: February 2002		
P-1 ITEM NOMENCLATURE Joint Primary Aircraft Training System (JPATS)	Admin Leadtime (after Oct1): 9 months			Prod Leadtime : 24 months			
	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary	24	6					24
Unit Cost	3.4	5.1					6.7
Total Cost	80.6	30.4	0.0	0.0	0.0	0.0	160.0
Asset Dynamics							
Beginning Asset Position				22	41	40	39
Deliveries from all prior year funding			12				
Deliveries from FY 2001 funding			10	14			
Deliveries from FY 2002 funding				6			
Deliveries from FY2003 funding							
Deliveries from subsequent years' funding							
Other Gains							
Combat Losses/Usage							
Training Losses/Usage							
Test Losses/Usage							
Other Losses/Usage							
Disposals/Retirements/Attritions/etc.				-1	-1	-1	-1
End of Year Asset Position			22	41	40	39	38
Inventory Objective or Current Authorized Allowance			22	42	42	42	42
Aircraft:	Remarks:						
TOAI: 328							
PAA:							
TAI 242							
Attrition Res: 72							
BAI 14							
Inactive Inv: 0							
Storage: 0							

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CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET P-40											DATE: February 2002	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ BA-4							P-1 ITEM NOMENCLATURE KC-130J (44A9)					
Program Element for Code B Items: N/A							Other Related Program Elements N/A					
	Prior Years	ID Code		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	To Complete**	Total Program
DERF QUANTITY*						4	4	4	4	4		20
DERF Cost (\$M)*						334.000	338.000	342.000	345.000	350.000		1,709.000
QUANTITY	8			3	2				4	5	9	31
Net P-1 Cost (\$M)	503.525			227.313	154.812				337.378	409.088	837.320	2,469.436
Advance Proc (\$M)												
Wpn Sys Cost (\$M)	503.525			227.313	154.812				337.378	409.088	837.320	2,469.436
Initial Spares (\$M)				2.591	27.795				2.578	23.808	47.130	103.902
Proc Cost (\$M)	503.525			229.904	182.607				339.956	432.896	884.450	2,573.338
Unit Cost (\$M)	62.941			76.635	91.304				84.989	86.579	98.272	83.011

Description:
The KC-130J aircraft is an all metal, high-wing, long-range, land-based monoplane. It is designed for cargo, tanker and troop carrier operations. For tanker operations, the aircrew will consist of a pilot, co-pilot, augmented crew member and two air refueling observers. Features include wing mounted refueling pods, an internal cargo ramp and door, crew and cargo compartment pressurization, ground and in-flight refueling, thermal deicing systems and a Heads-Up Display (HUD). It is designed to take off and land on unimproved runways.

Mission:
The mission of the KC-130J is to provide tactical in-flight refueling and assault support transport. As a tactical transport, it is capable of conventional or aerial delivery of personnel or cargo. The aircraft is capable of carrying 92 combat troops or 64 paratroopers with equipment or 74 litters when configured as an ambulance. The aircraft is equipped for in-flight refueling to service two aircraft simultaneously and has a removable 3,600 gallon (13,627 liter) fuel tank in the cargo compartment.

The KC-130J has the capability to refuel low-speed helicopters and high-speed jet aircraft. Aerial refueling of helicopters is normally conducted at 6,000 feet or below, at an airspeed of 115 KTS TAS and requires a ground change of the refueling basket. The KC-130J aircraft will be powered by four Allison AE 2100D3 Turbo-Prop Engines with four six-bladed composite propellers. The cockpit will include state-of-the-art electronics with Liquid Crystal Display (LCD) instrumentation. The improved power performance of the KC-130J will provide 40 percent greater range, 25 percent higher cruise ceiling, 46 percent decrease in time-to-climb, 21 percent increase in maximum speed and 41 percent decrease in maximum effort take-off run over the existing KC-130F/R/T models.

Basis for Request: N/A

*Defense Emergency Response Fund (DERF): The Quantities and Cost are non-add entries.
**The "To Complete" column reflects the procurement of 20 DERF aircraft. Any decrease in DERF funded aircraft will result in a one-for-one increase in "To Complete" aircraft.

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AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: KC-130J

\$ in thousands

		Prior Years	FY 2001		FY 2002		FY 2003*	
			Qty: 3		Qty: 2		Qty: 4	
			<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1	Airframe CFE	435,200.000	63,900.000	191,700.000	66,900.000	133,800.000	71,700.000	286,800.000
2	CFE Electronics							
3	GFE Electronics	4,908.935	967.326	2,901.978	1,334.547	2,669.094	1,145.486	4,581.944
4	Engines/Eng Acc							
5	Armament							
6	Other GFE	1,399.682	122.593	367.779	339.901	679.802	188.365	753.460
7	Rec Flyaway ECO							
8	Rec Flyaway Cost	441,508.617	64,989.919	194,969.757	68,574.448	137,148.896	73,033.851	292,135.404
9	Non-Recur Cost	1,200.000						
10	Ancillary Equip							
11								
12	Total Flyaway	442,708.617	64,989.919	194,969.757	68,574.448	137,148.896	73,033.851	292,135.404
13	Airframe PGSE	998.332				80.916		1,821.902
14	Engine PGSE	1,179.120						1,126.266
15	Avionics PGSE	2,255.378						364.381
16	Pec Trng Eq	13,425.000						10,389.000
17	Pub/Tech Eq	1,898.000		57.412		51.634		52.678
18	Other ILS	30,678.540		4,917.313		5,533.625		14,763.197
19	Prod Eng Supt	10,382.013		8,768.478		11,996.929		7,215.161
20	Spares			18,600.040				
21	Support Cost	60,816.383		32,343.243		17,663.104		35,732.585
22	Gross P-1 Cost	503,525.000		227,313.000		154,812.000		327,867.989
23	Adv Proc Credit							
24	Net P-1 Cost	503,525.000		227,313.000		154,812.000		327,867.989
25	Adv Proc CY							
26	Weapon System Cost	503,525.000		227,313.000		154,812.000		327,867.989
27	Initial Spares			2,591.000		27,795.000		6,132.011
28	Procurement Cost	503,525.000		229,904.000		182,607.000		334,000.000

*FY03 reflects the Quantities and Cost associated with DERF procurement.

AIRCRAFT COST ANALYSIS
P-5 Cost Sheet

Date: February 2002

Aircraft model: KC-130J

\$ in thousands

	FY 2004*		FY 2005*		FY 2006*		FY 2007*		To Complete Cost**	TOTAL COST
	Qty: 4	Unit Cost	Qty: 4	Unit Cost	Qty: 8	Unit Cost	Qty: 9	Unit Cost		
1 Airframe CFE		73,204.534		74,743.575		76,310.223		77,918.279	726,041.009	3,677,079.740
2 CFE Electronics										
3 GFE Electronics		1,169.523		1,194.110		1,219.139		1,244.830	11,599.299	57,072.364
4 Engines/Eng Acc										
5 Armament										
6 Other GFE		192.318		196.361		200.477		204.701	1,907.402	10,108.966
7 Rec Flyaway ECO										
8 Rec Flyaway Cost		74,566.375		76,134.046		77,729.839		79,367.810	739,547.710	3,744,261.070
9 Non-Recur Cost										1,200.000
10 Ancillary Equip										
11										
12 Total Flyaway		74,566.375		76,134.046		77,729.839		79,367.810	739,547.710	3,745,461.070
13 Airframe PGSE						1,939.048				4,840.198
14 Engine PGSE						1,198.684				3,504.070
15 Avionics PGSE						387.810				3,007.569
16 Pec Trng Eq		26,068.523		26,616.583					56,659.161	133,158.267
17 Pub/Tech Eq		53.784		54.915		56.066		57.247	179.053	2,460.789
18 Other ILS		6,245.631		3,270.883		16,183.481		9,920.669	20,303.369	111,816.708
19 Prod Eng Supt		7,366.562		7,521.435		8,158.960		8,347.826	20,630.279	90,387.643
20 Spares										18,600.040
21 Support Cost		39,734.500		37,463.816		27,924.049		18,325.742	97,771.862	367,775.284
22 Gross P-1 Cost		338,000.000		342,000.000		649,762.761		732,636.032	837,319.572	4,113,236.354
23 Adv Proc Credit										
24 Net P-1 Cost		338,000.000		342,000.000		649,762.761		732,636.032	837,319.572	4,113,236.354
25 Adv Proc CY										
26 Weapon System Cost		338,000.000		342,000.000		649,762.761		732,636.032	837,319.572	4,113,236.354
27 Initial Spares						35,193.239		50,259.968	47,129.600	169,100.818
28 Procurement Cost		338,000.000		342,000.000		684,956.000		782,896.000	884,449.172	4,282,337.172

*DERF: Quantities and Costs included in Net P-1 Cost totals are as follows: 4 aircraft in FY04 at a cost of \$338.0M, 4 aircraft in FY05 at a cost of \$342.0M, 4 aircraft in FY06 at a cost of \$345.0M, and 4 aircraft in FY07 at a cost of \$350.0M.

**The To Complete column reflects the procurement of 20 DERF aircraft. Any decrease in DERF funded aircraft will result in a one-for-one increase in To Complete aircraft.

P-1 SHOPPING LIST

ITEM NO 22

PAGE NO

3

CLASSIFICATION:

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System KC-130J		A. DATE February 2002		
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-4					C. P-1 ITEM NOMENCLATURE KC-130J				SUBHEAD 44A9	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
AIRFRAME CFE/ FY01	3	\$63,900	USAF WRIGHT PATT OHIO	N/A	FFP	LMAS MARIETTA, GA	DEC 00	FEB 02	N/A	N/A
AIRFRAME CFE/ FY02	2	\$66,900	USAF WRIGHT PATT OHIO	N/A	FFP	LMAS MARIETTA, GA	DEC 01	NOV 03	N/A	N/A
AIRFRAME CFE/ FY03	4	\$71,700	USAF WRIGHT PATT OHIO	N/A	FFP	LMAS MARIETTA, GA	DEC 02	JUN 04	N/A	N/A
D. REMARKS FY03 contract is funded by Defense Emergency Response Funding (DERF).										

FY 2003 BUDGET PRODUCTION SCHEDULE, P-21														DATE		February 2002														
APPROPRIATION/BUDGET ACTIVITY										Weapon System		P-1 ITEM NOMENCLATURE																		
AIRCRAFT PROCUREMENT, NAVY/ BUDGET ACTIVITY 4										KC-130J		KC-130J (44A9)																		
		Production Rate				Procurement Leadtimes																								
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
KC-130J	LMAS, MARIETTA, GA					N/A	N/A	N/A	0	3	N/A	23	26	E																
MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005								FISCAL YEAR 2006								B A L								
						2004		CALENDAR YEAR 2005						CALENDAR YEAR 2006																
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N		F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P
KC-130J/LMAS	04	N	4	0	4									1	1	1	1													0
KC-130J/LMAS	05	N	4	0	4			A																		1	1	1	1	0
KC-130J/LMAS	06	N	8	0	8													A												8
MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007								FISCAL YEAR 2008								B A L								
						2006		CALENDAR YEAR 2007						CALENDAR YEAR 2008																
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N		F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P
KC-130J/LMAS	06	N	8	0	8									2	2	2	2													0
KC-130J/LMAS	07	N	9	0	9			A																		3	2	2	2	0

CLASSIFICATION:

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Exhibit P-20, Requirements Study				APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy. BA- 4				DATE: February 2002	
P-1 ITEM NOMENCLATURE KC-130J (44A9)				Admin Leadtime (after Oct1): 3		Prod Leadtime 23			
			FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Buy Summary			3	2	4	4	4	8	9
Unit Cost			\$75,771	\$77,406	\$83,500	\$84,500	\$85,500	\$81,220	\$81,404
Total Cost			\$227,313	\$154,812	\$334,000	\$338,000	\$342,000	\$649,763	\$732,636
Asset Dynamics									
Beginning Asset Position			1	6	11	11	17	21	25
Deliveries from all prior year funding			5	2					
Deliveries from FY 2001 funding				3					
Deliveries from FY 2002 funding						2			
Deliveries from FY 2003 funding						4			
Deliveries from subsequent years' funding							4	4	8
Other Gains									
Combat Losses/Usage									
Training Losses/Usage									
Test Losses/Usage									
Other Losses/Usage									
Disposals/Retirements/Attritions/etc.									
End of Year Asset Position			6	11	11	17	21	25	33
Inventory Objective or Current Authorized Allowance			51	51	51	51	51	51	51
Aircraft: TOAI: 51 PAA: TAI: 51 Attrition Res: 0 BAI: 0 Inactive Inv: 0 Storage: 0			Remarks: FY07 aircraft (9) deliver in FY08. Currently through the FYDP, 42 aircraft have been authorized. The inventory objective of 51 assumes the remaining 9 aircraft will deliver 4 per year in FY 2008 and FY 2009 and 1 aircraft will deliver in FY 2010. Four aircraft per year from FY03 through FY07 were funded by Defense Emergency Response Funding (DERF).						

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